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JOINT MEETING  
CALIFORNIA BAY-DELTA AUTHORITY  
BAY-DELTA PUBLIC ADVISORY COMMITTEE  
12/11/2003



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Date: December 1, 2003

To: California Bay-Delta Authority  
California Bay-Delta Public Advisory Committee

From: Patrick Wright  
Director

Subject: December 11, 2003 Meeting

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The annual joint meeting of the California Bay-Delta Authority and Bay-Delta Public Advisory Committee will be held on December 11, 2003, at the Sheraton Grand Hotel, Magnolia Room, 1230 J Street, Sacramento, from 9:00 a.m. to 5:00 p.m.

Enclosed are the agenda and materials for the meeting. Please note:

- That the materials provided for Agenda Item 3 are informational and serve as background for the Director's report, and
- A summary of Delta activities under consideration by State and Federal agencies (for Agenda Item 5), the draft Annual Report (for Agenda Item 7) and the Finance Plan Independent Panel meeting report (for Agenda Item 8) will be mailed under separate cover.

Major action items for the meeting include:

- A panel discussion and recommendations by BDPAC and the Authority on proceeding with a coordinated set of activities to improve water supply reliability, ecosystem health, and water quality in the Delta (Agenda Item 5).
- Presentation of the Annual Report and BDPAC and Authority action on the annual progress and balance statement to be included in the report (Agenda Item 7).
- BDPAC and Authority recommendations on the Department of Water Resources' (DWR) Water Use Efficiency proposal solicitation process (Agenda Item 9).
- Authority recommendations on DWR's drinking water quality and groundwater storage grants and action on the Authority's ecosystem restoration grants (Agenda Item 9).

In addition, the BDPAC and Authority will discuss and comment on the Southern California Region's progress on the collaborative development of a regional profile (Agenda Item 6) and the process for moving forward on the Bay-Delta Program's future priorities (Agenda Item 8).

I look forward to meeting with you in December.

**2004**  
**SCHEDULE OF MEETINGS and**  
**PROPOSED TOPICS**  
**CALIFORNIA BAY-DELTA AUTHORITY**  
**AND BAY-DELTA PUBLIC ADVISORY COMMITTEE**

<b>California Bay-Delta Authority</b>	<b>Bay-Delta Public Advisory Committee</b>
February 11 <ul style="list-style-type: none"> <li>• Drinking Water Quality Policy: Process and Schedule Update</li> <li>• Program Plans</li> <li>• State Budget Hearings</li> <li>• Recommendation of Lead Scientist</li> </ul>	
	March 11 <ul style="list-style-type: none"> <li>• In-Delta Storage Project</li> <li>• Program Plan Development</li> <li>• Budget Hearings</li> <li>• Ecosystem Restoration Program PSP Process</li> <li>• Subcommittee Items</li> </ul>
April 8 <ul style="list-style-type: none"> <li>• In-Delta Storage Project</li> <li>• Program Plan Issues</li> <li>• State/Federal Hearings and Planning</li> </ul>	
	May 13 <ul style="list-style-type: none"> <li>• Bay Area Regional Report</li> <li>• Draft Program Plan Recommendations</li> <li>• Influence next Year's State/Federal Budget</li> <li>• Delta Improvements Package</li> </ul>
June 10 <ul style="list-style-type: none"> <li>• Approve Program Plans and next year detail</li> <li>• Delta Improvements Package</li> </ul>	
August 12 <ul style="list-style-type: none"> <li>• Future Year State Budget Planning</li> <li>• Federal Budget Planning</li> <li>• Draft Program Plans to Authority</li> </ul>	
	September 9 <ul style="list-style-type: none"> <li>• Future Priorities</li> <li>• Balance</li> </ul>
October 14 <ul style="list-style-type: none"> <li>• Future Priorities</li> <li>• Balance</li> </ul>	
JOINT MEETING December 9 <ul style="list-style-type: none"> <li>• End of Year Accomplishments</li> <li>• Annual Report</li> <li>• Future Priorities</li> </ul>	

## California Bay-Delta Program EIS/EIR Litigation Update

November 2003

### A. Federal Case

***Laub v. Babbitt, et al.***, U.S. District Court, Fresno

Plaintiffs: The California Farm Bureau Federation and several individual farmers

Defendants: All Federal and State agencies participating in the program. The State agencies recently named in the Farm Bureau's latest complaint are sued via their executive officers: Governor Davis, Mary Nichols (Resources), Winston Hickox (CalEPA), Celeste Cantu (SWRCB), Michael Spear (DWR), Robert Hight (DFG), Peter Rabbon (Reclamation), Margit Aramburu (Delta Protection Comm.), Darryl Young (Conservation), Will Travis (BCDC), Diana Bonta (DHS), and Bill Lyons (Food and Agriculture).

Summary of Case: The Farm Bureau filed this case in September 2000. It alleges that the CALFED Programmatic EIS/EIR violates NEPA and the Administrative Procedures Act. They seek an injunction against all State and Federal actions to implement the Record of Decision until an adequate EIS/EIR is prepared. The State defendants are apparently being sued under the theory that the program is a joint, Federal-State partnership that requires NEPA compliance under Federal law, and therefore the Federal government must comply with NEPA for all State projects, as well as Federal projects.

Current Status: The case is pending in the trial court. The district court dismissed an earlier version of the case as premature in August 2001. The Court of Appeals reversed that decision in September 2003. The Farm Bureau recently filed a motion to amend their complaint to add new defendants, update the allegations, and clarify the basis for suing the State defendants. We anticipate a status conference in the first few months of 2004.

### B. State Court Cases

***Laub v. Davis, et al.***, Fresno Superior Court

Plaintiffs: The California Farm Bureau Federation and several individual farmers

Defendants: Resources Agency, Mary Nichols, CalEPA, Winston Hickox

Summary of Case: The Farm Bureau filed this case in State court after the Federal district court dismissed a CEQA claim that had been part of their original NEPA lawsuit. The Farm Bureau alleges that the CALFED Programmatic

EIS/EIR violates CEQA and seeks an injunction of all program activities until the alleged CEQA violations are cured. This case has been coordinated in Sacramento Superior Court with *Regional Council of Rural Counties* (below).

Current Status: The State defendants won on all issues at trial. The case is now on appeal. The Farm Bureau's opening brief is due in December 2003.

***Regional Council of Rural Counties v. State, et al.***, Sacramento Superior Court

Petitioners: Regional Council of Rural Counties, Central Delta Water Agency, South Delta Water Agency, and individual farmers

Defendants: State of California, the Resources Agency, Mary Nichols, CalEPA, Winston Hickox (plus real parties in interest Department of Water Resources, Thomas Hannigan, and numerous Federal agencies and officers)

Summary of Case: RCRC's complaint alleged that the CALFED EIR violates CEQA and that the project would harm the delta. They also contended that the Record of Decision is illegal under several water law theories. This case was coordinated in Sacramento Superior Court with *Laub v. Davis* (above), and the two cases have been consolidated on appeal.

Current Status: The State defendants won on all issues at trial. The case is now on appeal. RCRC's opening brief is due in December 2003.

November 2003

## **California Bay-Delta Update**

### ***News Highlights from the California Bay-Delta Authority***

#### **In the News**

**Reauthorization Bill Heard:** Reauthorization of the California Bay-Delta Program remains a priority according to testimony from state, federal, public and private interests during an Oct. 30 hearing on S. 1097 (Feinstein) before the Water and Power Subcommittee of the Senate Committee on Energy and Natural Resources. Bay Delta Authority Director Patrick Wright told the Subcommittee “we now have a governance structure in place and a source of state funding to carry us through the next three years. What remains to be accomplished is the third objective: a bill to authorize federal partnership and full participation in the Program.” That objective was supported by California Governor-Elect Arnold Schwarzenegger who, in a letter to Sen. Feinstein, called on Congress “to reauthorize the federal contribution to CALFED in order to encourage the participating federal agencies to fully engage in a partnership with the State of California and the stakeholders of the CALFED program.” Wright’s testimony can be found at: [www.calwater.ca.gov](http://www.calwater.ca.gov).

**Lawmakers Updated on Delta Plans:** Efforts to increase the coordination and integration of the State Water Project and federal Central Valley Project are linked to an expanded long-term Environmental Water Account and water quality improvements in the Delta, according to testimony presented at an Oct. 28 Assembly Water, Parks & Wildlife Committee hearing in Concord. “Each of these actions will be fully evaluated and reviewed through the Bay-Delta Public Advisory Committee, and through other public processes established by the California Bay-Delta Authority (Authority),” said Patrick Wright, Authority director. Wright’s testimony can be found at: <http://www.calwater.ca.gov/Newsroom/Legislation/HearingonSouthDeltaImprovements10-28-03.pdf>

**Wetlands Project Announced:** A first-of-its-kind project aimed at monitoring and evaluating the effects of wetlands restoration has been awarded a \$3.7 million grant from the California Bay-Delta Authority. The Integrated Wetland Regional Monitoring Pilot Project will use real-time monitoring to examine wetland restoration outcomes in the North Bay and Delta. Ten institutions are collaborating on the project, which is expected to provide a better picture of how restored wetlands affect ecosystems and biological processes. Further information is available at [http://www.calwater.ca.gov/Newsroom/NewsReleases\\_2003/Newsreleases\\_2003.shtml](http://www.calwater.ca.gov/Newsroom/NewsReleases_2003/Newsreleases_2003.shtml).

**EWA Performance Reviewed:** The Environmental Water Account has reduced conflicts and boosted cooperation among agencies in its first three years, but additional accountability and integration with other management tools are needed, a review panel has found. The preliminary findings were made at the 2003 EWA Science Review on

October 17. A final report will be posted when complete at [http://science.calwater.ca.gov/workshop/past\\_workshops.shtml](http://science.calwater.ca.gov/workshop/past_workshops.shtml). Further information on the EWA can be accessed at [http://www.calwater.ca.gov/Newsroom/NewsReleases\\_2003/Newsreleases\\_2003.shtml](http://www.calwater.ca.gov/Newsroom/NewsReleases_2003/Newsreleases_2003.shtml).

**Greater Role for Desalination Urged:** The California Department of Water Resources is recommending a greater role for desalination in the state's water supply management portfolio. Based on findings of the statewide Water Desalination Task Force, the department says new desalination projects should be evaluated on a case-by-base basis given local water supply reliability needs, environmental considerations, project objectives and planning issues. Details on the recommendations can be found at <http://www.water.ca.gov/newsreleases/2003/10-23-03desal.html>.

#### Grant \$\$

**Conjunctive Use Grants:** The Department of Water Resources has released preliminary rankings of applications received for the next round of groundwater storage grants under Proposition 13 of 2000. DWR is seeking comment on the rankings and expects to announce final selections in January 2004. Further information on the grants and a listing of grant applications is available at <http://www.dpla2.water.ca.gov/grants-loans/gwater-grant/>.

#### Bay-Delta Program Happenings

**BDPAC Subcommittees:** Several subcommittees of the Bay-Delta Public Advisory Committee are slated to meet in November. Upcoming meetings include the Water Supply Subcommittee on November 12, Environmental Justice Subcommittee on November 14, ERP Science Board on November 20, Drinking Water and Watershed subcommittees on November 21, and Delta Levees and Habitat Subcommittee on December 5. Meeting notices are posted on the Program calendar at <http://www.calwater.ca.gov/calendar/calendar.shtml>.

**CALSIM Review:** A science review of the California Water Resources Simulation Model (CALSIM II) is scheduled for November 13-14 in Sacramento. The Bay-Delta Science Program has been asked to commission an external review of the model to provide an independent analysis as well as constructive criticisms of its strengths and weaknesses. Developed jointly by the California Department of Water Resources and the U.S. Bureau of Reclamation, CALSIM is used for planning and management of the State Water Project and the federal Central Valley Project, and plays a key role in many management and policy decisions. Further details on the review can be found at <http://www.calwater.ca.gov/calendar/calendar.shtml>.

**Shasta Lake Briefing:** A stakeholders briefing was held November 5 on the Shasta Lake Water Resources Investigation. Sponsored by the U.S. Bureau of Reclamation and the California Department of Water Resources, the briefing in Willows provided an overview of the investigation's status, next steps and how stakeholders can become active

participants in future workshops. Further information is available at [www.usbr.gov/mp/slwri](http://www.usbr.gov/mp/slwri).

#### Other Events

**Delta Issues Conference:** The Sacramento-San Joaquin River Delta is the focus of a conference November 13 and 14 in Sacramento. The annual conference of the California Lake Management Society will feature sessions on the Delta ecosystem, source water protection, fisheries and State Water Project management issues. A Delta field trip also is planned. Conference information is posted at <http://www.nalms.org/calms/meetings.htm>.

**2004 Habitat Restoration Conference:** The Second National Conference on Coastal and Estuarine Restoration has been set for September 12 – 15, 2004, in Seattle. Further details and a call for presentations are available at [www.estuaries.org](http://www.estuaries.org).

#### In-Print

**Bulletin 118:** The California Department of Water Resources has released a long-awaited draft report on groundwater. “California's Groundwater, Bulletin 118 - Update 2003” includes an overview of groundwater in California as well as guidance and tools to assist local agencies with groundwater management. The bulletin is available at <http://www.waterplan.water.ca.gov/groundwater/118index.htm>.

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**Study: Water supply adequate  
State is urged to conserve more to meet its needs  
San Jose Mercury News - 11/19/03  
By Paul Rogers, staff writer**

Despite its relentless population growth, California can meet future water needs for at least the next 20 years by simply wasting less water in homes, businesses and government buildings, according to a new report released Wednesday by a prominent Oakland think tank.

The state has made some progress in recent years with urban water conservation, but could do far more relatively cheaply, according to the Pacific Institute, a non-profit research organization that spent three years studying the issue.

“There's plenty of water in California if we use it right,” said Peter Gleick, president of the institute and winner of a 2003 MacArthur Foundation genius award.

Current technologies that could add up to big water savings include fitting every home in the state with low-flow toilets, faucets and shower heads, the report found. Other measures include broader use of efficient residential and commercial washing machines and dishwashers, drip irrigation systems and precision sprinklers that shut off automatically when it starts raining.

Also needed: tiered water rates statewide, so people have more incentive to conserve, he said, and water meters on every home. Some Central Valley cities, Sacramento among them, still do not have meters.

“We are not talking about brown lawns or showering less often or any kind of deprivation,” Gleick said. “We are talking about doing the same things, living the same way, just with less water.”

The state could not support even a fraction of its current 35 million residents -- more people live in California than Canada -- without water pumped from Sierra Nevada rivers hundreds of miles through the world's largest system of dams and canals.

Every year, driven by high levels of immigration and birth rates, California's population grows by about 600,000 people, the equivalent of adding a new San Jose every 18 months in perpetuity.

Gleick's report concluded that every home, business, industrial facility and government building in the state could cut water use by a combined 34 percent -- from the current 6.9 million acre-feet a year to about 4.6 million acre-feet a year -- with conservation and more efficient use.

An acre-foot is enough water for a family of five in a year.

“We still face political demand for water storage projects as long as taxpayers will pay for them,” said Tom Graff, a senior attorney with Environmental Defense, in Oakland. “This report shows that's not only environmentally bad but economically irrational.”

But one of the state's top water planners said conservation alone won't do the job.

The report's target of 34 percent urban water savings assumes such changes as installing 1.6-gallon low-flush toilets in every home in California. Currently one-fourth of the 28 million toilets in California are that efficient, and although some cities now require retrofits when homes are sold, many do not.

“Conservation is not the substitute for also moving ahead on other options, everything from surface and groundwater storage to desalination,” said Patrick Wright, director of the California Bay-Delta Authority, in Sacramento. “We're going to need all of these tools in the toolbox.”

The full report is available at [#www.pacinst.org](http://www.pacinst.org).

**State can save water by plugging leaks  
Report finds residents can make big difference through conservation  
Alameda County Newspapers - 11/19/03  
By Douglas Fischer, staff writer**

California can save up to a third of its urban water use -- enough to sate forecasted demand for three decades -- simply through conservation and better water policy, a environmental think tank reported Wednesday.

The millions of gallons of water flowing daily down the drain from leaky faucets, high-flow toilets and showers and wasteful landscaping practices represent the "largest, least expensive and most environmentally sound source of water" to meet California's future needs, according a study by the Oakland-based Pacific Institute.

"That's the big debate in California: Do we build another dam?" said Peter Gleick, the institute's co-founder. "The answer, after looking at these numbers, is 'No, we ought to do these things first.'"

"If we don't, it's like pouring more water into a bucket full of holes."

The 176-page report finds waste in every sector of urban life: the unmulched garden, that 1980s-era Maytag in the basement, schoolhouse restrooms full of old toilets.

Individual savings may be small -- a standard pre-1980 shower head uses 5 to 8 gallons per minute, or about 17 gallons more per shower than a more modern 2.5 gallon-per-minute model.

But swap every shower head in California's 11.5 million households with a high-efficiency one, the report found, and California needs 39 billion less gallons of water per year.

But the trick is finding a way to capture those savings. That means changing behavior -- substituting, say, a long, drenching shower for a thrifty but less satisfying spritz.

And that's why water managers are still looking to dams and new waterworks to meet California's future demands.

"These things work fine in theory," said Kevin Coolidge, deputy director of the California Federal Bay-Delta Program, a \$9 billion joint effort to restore the Sacramento-San Joaquin Delta while securing water supplies for Southern California.

But "gaining public acceptance is an important part of that. All of us want to do our part to be responsible stewards of water, ... but we don't want it to unduly impact our lifestyle."

Coolidge, when he worked for a water district in Southern California, helped run what he called an aggressive low-flow toilet installation program. He invariably ran up against the skeptical homeowner who didn't want a 1.6-gallon commode in the house. "I can cite you chapter and verse, institute out of New Jersey that flushed dog food down the toilet to prove it works ..., and I still run up against the homeowner who says, 'No, I don't believe it,' " he said.

Gleick said he believes education and awareness can change that -- and the effort required will ultimately cost less than any programs to further tap rivers and aquifers.

And then there's agriculture. California's cities and towns use 20 percent of the state's water. The rest feeds the farms.

There's slop there, Gleick said, but the institute didn't look for it.

"We're not letting them off the hook," he added. "We just haven't done the study yet."#

**BAY-DELTA ESTUARY**  
**Shaping fate of Suisun Marsh**  
**Fairfield Daily Republic - 11/17/03**  
**By Barry Eberling, staff writer**

Balancing tidal wetlands with the managed wetlands of duck clubs in Suisun Marsh has become a contentious issue in recent years.

Several state agencies are ready to wade in. They are working on a habitat management, restoration and preservation plan for Suisun Marsh.

The hope is to come up with strategies that will benefit both tidal and managed wetlands, said Laurie Briden of the state Department of Fish and Game.

Whether that can be done to everyone's satisfaction, she's not sure, Briden added.

The various agencies want to hear people's ideas. Besides wetlands issues, the plan will address such things as water quality, levee maintenance, permits needed to do work in the marsh and conflicts among state and federal agencies governing the marsh.

The following meetings are scheduled:

-- 12-3 p.m. on Nov. 25 at the Solano County Mosquito Abatement District, 2950 Industrial Court in Fairfield.

-- 6-8:30 p.m. Dec. 4 at the Benicia Public Library, 150 East L St.

-- 6-8:30 p.m. Dec. 10 at the Solano County Office of Education, 5100 Business Center Drive in Fairfield.

Suisun Marsh is the largest contiguous estuarine marsh in the continental United States. It has 68,000 acres of wetlands, duck clubs and winding sloughs.

The marsh has 150 privately owned duck clubs. These clubs manage wetlands behind levees, flooding and draining land at certain times to grow fat hen and other vegetation favored by ducks.

Suisun Marsh is a key stop on the Pacific Flyway for migrating waterfowl. Managed wetlands also provide homes to other wildlife.

But some environmentalists want more tidal wetlands in the marsh. These wetlands are not behind levees, but flood and drain daily with the tides.

"Tidal marsh habitat offers value for the full range of fish and birds and other wildlife," Gary Bobker of the Bay Institute said earlier this year.

A 1999 study called for a 50-50 split of managed wetlands and tidal wetlands. The marsh today is about 73 percent managed wetlands.

The new Suisun Marsh Plan will be separate from that 1999 study, Briden said. She doubted the plan will set specific acreage amounts for tidal marsh restoration.

Participation in the plan by private landowners will be voluntary, a press release said.

Steve Chappell is executive director of the Suisun Resource Conservation District. This agency represents the marsh property owners.

He's been involved with the Suisun Marsh Plan for a couple of years. The plan is a good way to address the issues surrounding managed and tidal wetlands, Chappell said.

"We'll just have to wait and see how it all shakes out," Chappell said.

He encouraged local landowners to attend the upcoming meetings and give their opinions to the state and federal agencies.

The hope is to come up with a plan that will be embraced by Calfed, Briden said. Calfed is a group of 20 state and federal agencies working to solve California's water problems and Delta environmental problems.

Calfed can provide money to help pay for actions called for in the Suisun Marsh Plan.

Besides Fish and Game, the U.S. Fish and Wildlife Service and U.S. Bureau of Reclamation are also working on the Suisun Marsh Plan. #

**State water impacted by 'Napa Accord'**  
**Napa Valley Register - 11/16/03**  
**By Jay Goetting, staff writer**

Around California they're calling it "The Napa Accord," but there was little local fanfare when water officials from throughout the state converged this summer on Napa and left with a far-reaching agreement that could affect water availability for decades to come.

It may not spark the water wars that have raged in the past between north and south, or centered on the building of a peripheral canal, but with the Metropolitan Water District of Southern California being one of the major recipients of new water, major and minor players alike are watching the outcome.

"We were aware of the meetings," said Don Ridenhour, Napa County's assistant director of public works. "We're such a small player, but anything that benefits the state water project will ultimately benefit us."

Ridenhour said they were given a number to call to get updates on the meetings activities since they were not invited to sit at the table.

Metropolitan stands to get an additional 500,000 acre feet of water under the pact. "It's not final or binding," said Ridenhour, adding that the conclusions reached under the Napa Accord must be acted upon by lawmaking agencies to become official.

Napa County is authorized to receive 29,025 acre feet from the State Water Project. That contrasts with Metropolitan's two million plus acre feet. "We get .7 percent of the state contract," Ridenhour pointed out.

At last week's statewide gathering of planning commissioners in Napa County, Assemblyman John Laird, D-Santa Cruz, told a luncheon gathering, "We need to focus on the future of water," and he added that if shortfalls and poor policy get out of hand, "it could be horrific."

Laird said the last California governor to really deal with water issues was Edmund G. "Pat" Brown in the 1960s. Since then, he said, state leaders have been working off the legacy of water agreements and infra-structure put together in the 1960s.

With Napa County supervisors grappling with a groundwater extraction ordinance and critical shortages showing up in the Milliken-Sarco-Tulocay basin in Coombsville and beyond, Laird said a legislative answer is probably not forthcoming. "Unless there's an earthquake or everyone is termed out at once," there will be no action on this "explosive subject."

Of the Napa Accord, Laird said, "People are coming together on water issues. Historic alignments have broken apart."

He noted there is no more Central Valley agricultural dominance in the water field, and the North is much more prominent.

Ridenhour said the Napa Accord deals primarily with the delivery system - the storage, pumping facilities and pipelines - rather than allocation amounts.



Despite the fact Gov.-elect Schwarzenegger had strong development and construction support during the recent election, there was little discussion of water.

Some of Laird's points were bolstered by Kamyar Guivetchi, a division chief with the State Department of Water Resources.

"California needs an updated water plan before two or three more years goes by," he said, adding that regional planning coordination with land use issues are key to finding solutions.

Laird also warned that climate change and global warming will have significant effects, especially on the Delta where a rise in the ocean level will lead to an increase in salt water intrusion and impacts on low-level lands.

He summarized a recent hearing on the topic by emphasizing, "Uncertainties should not be used to delay or avoid taking action."#

**CALFED future uncertain as Congress zeros out funding again**  
**Greenwire - 11/14/03**  
**By Natalie M. Henry, staff writer**

PORTLAND, Ore. -- California's multimillion dollar effort to restore the San Francisco Bay-Delta ecosystem and secure the state's long-term water needs could be in peril as Congress once again failed to allocate funding for the program.

According to the House Appropriations Committee, the fiscal year '04 Energy and Water appropriations bill, H.R. 2754, includes no funding for the CALFED Bay-Delta Program because congressional authorization for the program expired in 1999. It does include

\$9 million for the environmental water account, water storage and delivery programs associated with CALFED that Congress authorized separately.

Rep. George Miller (D-Calif.) blamed Republican lawmakers for thwarting California's efforts to move forward on water management issues. "It is a shame that Republican intransigence on CALFED is costing the people of California another year in moving ahead on critical water problems in our state," Miller said.

"Congress' failure is particularly problematic at a time when the state is struggling with budget issues and the promise of tens of millions of dollars in federal funding remains unfilled," Miller said, noting that the scaled-back CALFED appropriations contradict an Interior Department commitment in 2000 to award the program \$8.5 billion over four years. |

Sen. Dianne Feinstein (D-Calif.) also stressed the need to reauthorize the program, and she has introduced a bill authorizing \$880 million in federal appropriations over the coming years. "This level of funding underscores the urgent need for Congress to approve the CALFED authorization bill that I have introduced with Sen. [Barbara] Boxer [D-Calif.]," Feinstein said. "This is critical for the future of California."

Miller has introduced a companion bill in the House. But according to the White House Office of Management and Budget, \$880 million is too much for a project geared to one state's water needs.

In August 2000, outgoing Secretary Bruce Babbitt signed a record of decision promising \$8.5 billion from a combination of state and federal funding and water user fees, according to Tom Graff of Environmental Defense.

In its first three years, the project received \$2.3 billion, more than half from state bonds, a little less than half from water users and less than one-tenth from the federal government, according to the California Bay-Delta authority, which implements CALFED programs.

Byron Leydecker of California Trout said without federal funding, CALFED has no future. "I think it's going to die because only state funding is available, and the state is not in great financial shape," Leydecker said.

Leydecker is among those hoping for CALFED's demise because he said the program favors water users over environmental restoration instead of striking a reasonable balance between the two goals. "I'd like to see it die, and I think it will," he said.

Graff of Environmental Defense said his group supports the principles behind CALFED -- bringing together agencies and water users -- but he said the August 2000 record of decision contains too many promises that cannot be fulfilled. The challenge for the California Bay-Delta authority, Graff said, is selling a revamped plan to entrenched stakeholders.

"Once you say to everyone 'Okay, you've got limited funds and there's only so much water,' you actually have to make those hard choices," Graff said.

Keith Coolidge of the Bay-Delta authority said his organization is making some of those hard choices. The authority is drafting a finance plan that will identify which programs need constant, stable funding. Those programs will receive priority attention and dollars, Coolidge said, perhaps provided by water users or by other local means.

State and federal funding tends to be less stable, and projects that can be interrupted without damaging the broader program could be geared toward state or federal appropriations.

Graff suggested that the only hope for getting ecosystem restoration projects completed is by collecting water user fees. "That's where the money has to come from.

[It's not going to come anymore from state or federal taxpayer subsidies. I don't think [collecting user fees is] likely, but I think it's the only realistic possibility over the next few years," he said.

A spokesman for the Westlands Water District, the nation's largest agricultural water district and a significant player in the CALFED debate, said after several years of opposition, Westlands now supports CALFED because of its ability to coordinate federal and state water deliveries for maximum efficiency of water use.

But levying more user fees is inappropriate, said spokesman Tupper Hull. Water users already pay many millions of dollars in fees, some of it for environmental restoration of fisheries in San Francisco Bay and the delta east of it, Hull said. #

**Hoopla Tribe wants water contracts stalled**  
**Trinity restoration needs to go into effect first, tribe says**  
**Eureka Times-Standard - 11/7/03**  
**By John Driscoll, staff writer**

The Hoopa Valley Tribe wants Central Valley water contract talks held up until a plan to restore the Trinity River is put in place.

The restoration has been caught up in federal court by irrigation giant Westlands Water District and the Northern California Power Agency, among others. The state and federal government are working toward finalizing water contracts as part of CalFed, an effort to restore the Sacramento Bay-Delta and provide water to points south.

Westlands and some other water districts benefit from water diverted from the Trinity, and some worry the restoration could be jeopardized if contracts are approved first.

Hoopla Tribe, Westlands and water interest representatives testified this week before the U.S. Senate Water and Power Subcommittee two days after going before the California Assembly's Water, Parks and Wildlife Committee.

"We can't stand by while Central Valley planning decisions are made that potentially leave our rights at risk," said Clifford Lyle Marshall, chairman of the Hoopa Tribe. "Until the Trinity River (restoration) is ratified we intend to bring our trust issues to the table."

The long-standing conflict between the tribe and Westlands is now before the 9th U.S. Circuit Court of Appeals. The tribe and Westlands met separately with Sen. Dianne Feinstein this week, and Feinstein offered to help with negotiations to resolve the suit.

A Feinstein spokesman offered no specifics on what negotiations might entail, but did say if the California Democrat has offered her help she generally has some hope that a solution may be reached.

The restoration aims to cut diversions to the Sacramento River -- from where water is pumped to Central Valley farms -- to 53 percent from above Lewiston Dam. Along with other elements, the increased flows are meant to reshape the river and improve habitat for struggling runs of salmon and steelhead.

Westlands recently offered a settlement that would trim billions of gallons of water from the federal plan signed by former Interior Secretary Bruce Babbitt in 2000. The concept was roundly rejected by the tribe and federal scientists, who said no significant science had been presented to support such a change.

Westlands spokesman Tupper Hull said the offer was serious and credible and "so far no one has come back with anything except rejecting that."

Hull said that there is no reason to delay the Central Valley contracts while there is a settlement proposal on the table.

The tribe said the 20 years of science that supports the Trinity River restoration shouldn't be swapped for a proposal that has received such limited study. #

**Sandhill Cranes Return to Wintering Sites In San Joaquin and Sacramento Counties**  
**Nature Conservancy Releases Studies Demonstrating Importance of Agriculture to Threatened Species**  
**News release, Nature Conservancy - 11/5/03**

GALT (Sacramento County) - The Nature Conservancy released two studies this month linking farming practices to the survival of the threatened greater sandhill crane (*Grus canadensis tabida*) and the more abundant lesser sandhill crane (*Grus canadensis canadensis*).

The studies, conducted on and around the Conservancy's M&T Staten Island Ranch near Walnut Grove, California, conclude that wildlife-friendly agricultural operations on the property dramatically benefit the cranes during their winter migration to the Delta.

The reports coincide with the return of large crane populations to wintering sites in California's Central Valley, and underscore the importance of agricultural lands to the survival of cranes and many other bird species, such as the Swainson's hawk.

Mike Eaton, project director for The Nature Conservancy's programs in the Delta and San Joaquin Valley, called the crane "a majestic bird that inspires us all." The Pacific Flyway population of lesser sandhill cranes nests predominantly in Alaska, while greater sandhill cranes nest predominantly in northeastern California, eastern Oregon, and eastern Washington. Both sub-species return every winter to the San Joaquin Valley.

According to the reports, 15 percent of the Central Valley population of greater sandhill cranes winter on Staten Island, making the island one of the most important foraging and roosting sites for these ancient birds. The studies document the sustainable, wildlife-friendly farming operations at Staten Island, and conclude that the operation "is a great success from both wildlife and farming standpoints, and provides a valuable model for accommodating wildlife in an agricultural landscape." The reports also cite the importance of similarly managed farmlands in the Central Valley to the long-term health of the crane population.

Jim and Sally Shanks, managers of Staten Island, have watched the awe-inspiring birds for decades, tailoring their farming practices to meet the needs of the cranes. Said Sally Shanks, "We've shaped our farming programs as our knowledge about the needs of the cranes has grown, but we haven't sacrificed production. Agriculture, thoughtfully carried out, can be fully compatible with the needs of cranes and other species of waterfowl."

The Nature Conservancy acquired Staten Island (with funding from the CALFED Bay-Delta Program and the California Department of Water Resources) in 2001. Sandhill cranes winter in the Central Valley through late February or early March. For more information on viewing the cranes and other waterfowl, please contact the Cosumnes River Preserve Visitor Center at (916-

684-2816), or send e-mail to [info@cosumnes.org](mailto:info@cosumnes.org). The Visitor Center is open 9 a.m. to 5 p.m. Saturday and Sunday.

"Farming for Wildlife: An Overview of Agricultural Operations at Staten Island" and "Sandhill Crane Monitoring at Staten Island" are ongoing conservation projects of the Cosumnes River Preserve. The Cosumnes River Preserve is a collaborative project of the Bureau of Land Management, the California Department of Fish & Game, Ducks Unlimited, Inc., the **California Department of Water Resources**, Sacramento County Department of Regional Parks, Open Space, and Recreation, The Nature Conservancy, and the Wildlife Conservation Board. Conservation activities on the preserve are safeguarding and restoring unique valley oak streamside ecosystems and freshwater wetlands, while demonstrating compatibility between agriculture, recreation and education with the natural environment.

The studies, completed by May & Associates Incorporated and conducted during the winter of 2002-2003, are available online at [www.cosumnes.org](http://www.cosumnes.org).

The Nature Conservancy is an international non-profit membership organization, whose mission is to preserve plants, animals, and natural communities by protecting the lands and waters they need to survive.#

### **Environmental justice discussed Lake County Record Bee - 11/5/03 By Margaret Gan-Garrison, staff writer**

What is environmental justice? How does it protect communities from irresponsible practices? How can Native American tribes use environmental justice to protect their communities?

These issues were discussed at the first annual Lake County Pomo Tribal Environmental Justice Forum, held at Robinson Rancheria Oct. 17.

Environmental justice is not just an intriguing concept or ideal, said Ken McGhee, environmental justice coordinator, California Bay-Delta Authority. He explained that it is the law that supports claims for irresponsible practices.

"(It) means that all people, regardless of race, culture, nationality, organization or income are able to enjoy equal environmental protection," he added.

The environmental justice concept, as it is evolving, is a tool that is made up of four domains knowing the community, disproportionate impacts, benefits and burdens, and meaningful involvement. This tool can be used to look at any issue or problem in a community, said McGhee.

For example, if an agency is planning to build an underground pipeline that cuts through a community, environmental justice can be used to analyze the benefits and burden of the project.

When looking at a project, agencies and decision makers must know the community and understand its history. One important area to deal with, said McGhee, is how community is looked at with respect to other communities.

The difficult part of this process is that it requires early direct participation, and everyone must come to the table without an agenda. McGhee said most agencies are not willing to do that.

When decision makers find that there is disproportionate impact on the affected community, they need to listen to the community. The art is not to take the opinion personally but to take it seriously, said McGhee.

Only when there is trust between the decision makers and the community will it be possible to analyze the benefits and burdens of the project on the community.

Meaningful involvement is key, said McGhee. Early and direct participation by the community is important so that there is one common objective between the community and agencies.

The daylong workshop also looked at how Native American tribes could use environmental justice to measure the impact of projects on their culture and their communities. There were also discussions on mercury contaminants and ecological systems, and tribal exposure to mercury contaminants.

Speakers came from the Environment Protection Agency (EPA), Technical Outreach Services for Native American Communities (TOSNAC), CALFED Bay Delta Program, Kansas State University Hazardous Substance Research Center and Utah State University. #

**Federal funding unlikely  
Water storage, transport outlook dim for state  
San Joaquin Record - 10/31/03  
By Kemberly Gong, correspondent**

WASHINGTON -- Prospects for getting Congress to give new federal money any time soon to improve water storage and transport in California appeared dim at a Senate subcommittee meeting Thursday.

The CALFED Bay-Delta Authorization Act, which was introduced in May by Sen. Dianne Feinstein, D-Calif., seeks funding from the Interior Department.

The legislation would cement a partnership between state and federal agencies to fund the massive effort to reconcile needs of both Northern and Southern California for water quality, quantity and environmental stewardship.

Bennett W. Riley, the assistant secretary for water and science at the Interior Department, said the \$880 million price tag is too high.

"Balanced progress in the program can only be achieved with a realistic expectations of CALFED appropriations," he said in a statement.

Feinstein said she would like to have a bill passed during this congressional session but acknowledged her frustration at the many steps that still must be taken.

"Things keep changing," she said. "We've got to get some momentum. We've got to move this legislation."

The legislation is far from passing the subcommittee and committee, and beyond that, Congress, before it can go to the president. She said she works closely with Rep. Ken Calvert of California, a Republican who has sponsored a similar bill in the House.

Feinstein asked Patrick Wright, director of the California Bay-Delta Authority, who testified before the subcommittee, to meet with her and Riley to work out the numbers so they will be more acceptable.

Wright said the California Bay-Delta Program is already partially funded by the federal government. He said the program received \$229.7 million for its first three years. He wants \$39.3 million for the fourth year.

California has spent more than \$1 billion on the projects in the past three years, and local communities spent \$490 million. Wright said California was lucky to have funding coming from many bond measures.

A spokesman for Feinstein said the bill was not likely to pass this year, but it might have more success next year.

The hearing was held before the Subcommittee on Water and Power of the Senate Committee on Energy and Natural Resources.

There is opposition to the bill for reasons other than money.

Riley said the administration was concerned that the bill gives blanket authorization to projects that have not undergone the normal process of executive branch review.

Riley said he supported the program, but it needs adjustments.

Most witnesses who spoke Thursday were from state agencies and water districts that support the legislation. They said it was imperative to the success of the program that the federal government fund a portion of it.

Wright said the program already has successfully developed a governance structure and received state funding, leaving one objective: "a bill to authorize federal partnership in full participation in the program. That is the only way to ensure that the federal government is concerned with the program."

*Reporter Kemberly Gong is interning in Washington with the Scripps Howard Foundation wire service. #*

### **Implement the CALFED Bay-Delta Program To Avoid Water System Chaos, Say California Business Leaders and Employer Community to U.S. Senate News release, Bay Area Council - 10/30/03**

WASHINGTON - In testimony before the U.S. Senate Committee on Energy and Natural Resources' Subcommittee on Water and Power, Bay Area Council President and CEO Sunne Wright McPeak today urged support of S. 1097 and implementation of the CALFED Bay-Delta

Program and Record of Decision. Ms. McPeak has been involved in water policy for 30 years. Following is her testimony:

The Bay Area Council is a business-sponsored, CEO-led, public-policy organization founded in 1945 to promote economic prosperity and quality of life in the region. The Bay Area region encompasses the nine counties that rim San Francisco Bay and their 101 cities, including Oakland, San Francisco and San Jose, the heart of Silicon Valley. The economy of the Bay Area is approximately \$300 billion annually. The regional economy not only is dependent on an adequate supply of quality water to thrive, but also is closely linked to the environmental health of the Bay-Delta Ecosystem. As an association of major employers, the Bay Area Council has been involved in California water policy issues during the last two decades, and since 1994, has been deeply engaged in the CALFED Bay-Delta Program. The Bay Area Council also works closely with a coalition of business-sponsored, employer-based statewide and regional organizations throughout California.

The following points summarize the perspectives of the Bay Area Council and the coalition of business-sponsored, employer-based organizations in support of S. 1097 and implementation of the CALFED Bay-Delta Program and Record of Decision.

-- With the state and the nation still recovering from a prolonged economic downturn, it is critical that we do not hamper economic recovery because of a water system in chaos.

-- California faced economic chaos and political paralysis in early 1990 when urban areas throughout the state were imposing mandatory rationing due to drought and policy gridlock. At that time, businesses were questioning whether to expand or locate plants in California, because of concerns regarding unreliable water supplies. Farmers in the southern San Joaquin Valley received no surface water supplies and key fisheries in the Bay-Delta watershed were declining at alarming rates.

-- The Bay-Delta Ecosystem is the largest estuary in North America, a key stop on the Pacific flyway. It also is a critical drinking water source for 22 million Californians. In addition, the water supplies from this watershed also fuel California's economic engine, now the 5th largest economy in the world.

-- Employers that drive economic growth and productivity are among the most dependent on reliable, high-quality water. Thriving businesses lead to more jobs that lead to a stronger economy. California's growing population, expected to approach 50 million by 2020 will need more jobs. The Bay Area alone is projected to generate more than 1 million new jobs by 2020 and grow by an estimated 1.4 million people.

-- The CALFED Bay-Delta Program provides the road map for the future of California water. The key components of the plan are to improve water supply and quality, and the ecological health of the Bay-Delta Ecosystem.

-- Through the CALFED Program and local investment in water conservation, reclamation and other programs, considerable gains are being made in water supply reliability. The water market between willing buyers and sellers has also improved. Most impressive have been gains in CALFED's unprecedented ecosystem restoration program.



-- California businesses have invested literally billions of dollars to increase their water efficiency and get more out of every gallon of water.

-- But full implementation of the CALFED Bay-Delta Program cannot be realized without federal authorization and funding.

-- S. 1097 provides the authorization and funding to advance the CALFED storage and conveyance programs. The business community views these components as critical pieces to improving the water supply for both California and the states served by the Colorado River.

-- Funds also are included for water quality improvements vital to Bay Area and California high value-added industries, such as information technology and life sciences.

-- This legislation also continues to support California's aggressive efforts in the area of water use efficiency, water recycling and desalination.

-- S. 1097 helps to continue the commitment to environmental restoration in an essential partnership with responsible federal agencies to ensure timeliness and optimal benefit.

The CALFED Record of Decision was an historic accomplishment made possible because of unprecedented cooperation and collaboration between federal and state leaders and agencies. A broad base of stakeholders joined forces to support an integrated, balanced set of actions essential to restore the environment and support economic prosperity. It is critical that the federal government remain a vital partner in the CALFED Bay-Delta Program. Now is the time for action. Approval of S. 1097 ensures that the Bay-Delta Ecosystem will be protected and restored while California's economy has the necessary water resources to rebound and sustain prosperity.

Founded in 1945, the Bay Area Council ([www.bayareacouncil.org](http://www.bayareacouncil.org)) develops and drives regional public policy initiatives and researches critical infrastructure issues. Led by CEOs, the Bay Area Council presents a strong, united voice for more than 275 major employers throughout the Bay Area region in promoting economic prosperity and quality of life. Sunne Wright McPeak has served as president and CEO of the Bay Area Council since 1996.#

**Historic Delta water deal near  
San Joaquin Record - 10/29/03  
By Audrey Cooper, staff writer**

CONCORD -- Many of the ills that have plagued the Delta for the better half of a century may be solved -- at least on paper -- by the end of November, a Delta water attorney said at an Assembly hearing Tuesday.

Delta farming interests are close to working out a deal with Delta water exporters that could go a long way toward significantly improving Delta water quality, raising water levels in some San Joaquin County rivers and addressing other environmental problems, said Tom Zuckerman, an attorney for the Central Delta Water Agency.

"I've been fighting these battles for about 35 years now. We might make more progress in these last three months than we've made in the last 35 years," Zuckerman told legislators.

"We are close to solving problems that have been beguiling us for what seems to be a lifetime," he said.

The talks between Delta farming groups and Southern California water agencies were spurred by a proposal to dramatically increase the amount of water pumped from the Delta and sent to south San Joaquin Valley farms and Southern California cities.

The proposal, known as the Napa Plan, could result in additional water exports of between 250,000 acre-feet and 1 million acre-feet. That's enough to meet the annual needs of between 1.3 million and 5 million people.

Details of the Napa Plan were the focus of the Assembly Water, Parks and Wildlife Committee hearing in Contra Costa County.

When the Napa Plan was unveiled a few months ago, Delta farmers and environmentalists protested what seemed to be a backroom deal crafted by powerful water exporters like the Fresno-based Westlands Water District and Metropolitan Water District of Southern California. At the urging of some influential San Joaquin County politicians, the water exporters began meeting with Delta farmers in a series of discussions at University of the Pacific.

At the next meeting, on Nov. 24, the two sides hope to settle on ways to improve the Delta while still increasing water exports, Zuckerman said.

The compromise will include a series of carefully placed barriers in the south Delta that would raise water levels. The barriers also will help in redirecting water around San Joaquin County, which could improve water quality and even flush more water through the Stockton Deep Water Channel. Higher flows in the channel would reduce the problem with low oxygen levels that routinely cause massive fish kills.

Zuckerman said the compromise plan could even ease the reliance on water from New Melones Lake. That water should go to homes and businesses in Stockton but is routinely used instead to dilute tainted water in the Delta.

All that can happen while still increasing water exports in part because of better coordination and water sharing between the two state's two major water systems: the State Water Project and the federal Central Valley Project, said Dan Nelson, executive director of the San Luis and Delta-Mendota Water Authority. The authority operates the federal water export pumps near Tracy.

Still, not everyone is happy with the Napa Plan.

Representatives of four environmental groups protested that the plan is being rushed through bureaucratic hurdles without enough attention to what more water exports could do to the estuary. A Hoopa Indians spokesman worried that the plan will mean his tribe won't get promised Trinity River water.

"Simply put, I don't think fish and wildlife in the Delta could sustain the level of (water) diversions we're talking about," said Barry Nelson, a policy analyst for the Natural Resources Defense Council.

Those who manage the Delta already have missed a 10-year goal for doubling salmon and steelhead populations, and Delta smelt are routinely killed at the export pumps in numbers beyond what is allowed by the Endangered Species Act, environmentalists said.

"Our thirst for water has already led to the over-exploitation of our waterways," said Eric Wesselman with the Sierra Club.

For agenda details and registration information, contact ACWA at 916-441-4545 or the web page at <http://www.acwanet.com/>. #

## **Water Awareness Materials Available Year Round California Water Awareness Campaign - 10/29/03**

SACRAMENTO – At a time when California water issues are making national headlines, water conservation continues to be an important way to create supply by stretching our resources.

And now, encouraging wise water use is easier than ever with low-cost media and materials developed by the California Water Awareness Campaign.

Last year the Campaign, a collaborative effort among state water agencies, introduced its "Right at Home" advertising campaign (developed with a grant from the CALFED Bay-Delta Program). The advertising campaign takes a light-hearted approach to educating

Californians on easy ways to conserve water at home. Messages can be used yearround and have been carried to the public through television and radio public service announcements, billboards, bus signs, print ads, movie theater ads and utility bill inserts.

California water agencies can purchase "Right at Home" media and materials for their use at very low cost. Available media include:

- Artwork for bus ads, billboards, print ads and theater ads
- Public service announcements for TV and radio
- Consumer information booklets
- Magnets, stickers and education kits

Water agencies can add their logo to materials, ads and PSAs, many of which are available both in English and Spanish.

"We've made it easy as possible for water agencies in California to implement a cohesive, professional advertising campaign that promotes wise water use," said Denis Wolcott, the current Campaign chair. "We encourage agencies to take advantage of this

effective program."

To order materials or for more information, contact the California Water Awareness Campaign at 916-325-2596 or <mailto:wac@acwanet.com>, or visit [www.wateraware.org](http://www.wateraware.org).

Formed in 1987, Campaign members include approximately 300 water agencies, farm bureaus, cities, counties and businesses.#

**Letter to Editor: Mercury in the water**  
**Sacramento Bee - 10/25/03**  
**By Patrick Wright, director, California Bay-Delta Authority**

Re "Mother Lodes of Mercury" and "Toxic Dilemma," Oct. 19 and 20: Given the vast scope of contamination from thousands of abandoned mines, decades of research and remediation will be necessary to adequately address this problem. To jump-start the effort, the California Bay-Delta Authority has awarded more than \$19 million for research and has brought together the nation's top mercury scientists to develop a comprehensive strategy.

The Bee cites warnings from scientists that, in some areas, wetlands restoration could elevate the risk of mercury contamination. In sensationalizing and oversimplifying a complex scientific issue, the articles allege that agency officials overlooked or ignored these potential impacts in pursuing wetlands restoration projects. In fact, agency decision-makers have been well aware of past mercury studies -- and their limitations -- for years.

In balancing the scientific uncertainty surrounding mercury and the water-quality and ecosystem restoration benefits of these projects, the agencies have concluded that wetland restoration efforts should continue, but with greater attention to their potential impacts on mercury levels. This approach follows the recommendations of the national panel of mercury experts, who proposed that an ambitious monitoring and research strategy be conducted to help guide future restoration efforts.#

**STATEWIDE PLANNING**

**With rising demand for water, state not likely to meet population needs**  
**Lodi News Sentinel - 10/25/03**  
**By Bob Brownne, staff writer, San Joaquin News Service**

OAKLAND -- California's water experts don't make too many predictions about the future but there are some aspects of water management that should hold true for years to come.

For starters, the state isn't likely to find or develop any new water sources, even though water demand will rise along with the state's population. So with water management being the key to water reliability the various water agencies around the state will have to work toward common water management goals.

"The state really needs to promote and assist regional-based multi-resource planning," said Kamyar Guivetchi, manager of statewide water planning for the California Department of Water Resources.

"While the state and federal projects are an important part of the mix the regional agencies have to be in the driver's seat in planning water management for the future."

Guivetchi made his remarks Thursday for a crowd in the Calvin Simmons Theater in Henry J. Kaiser Convention Center in Oakland.

It was the final day of the three-day State of the Estuary Conference, hosted by the San Francisco Estuary Project, which has hosted the conference every other year since the U.S. EPA created the project in 1987.

The event covered a range of topics all related to the health of the San Francisco Bay and Sacramento/San Joaquin Delta ecosystems. Thursday's presentations by water planners and researchers focused largely on the state's ability to continue exporting water from the delta while maintaining commitments to environmental restoration.

Guivetchi said his office is completing the latest version of the state's water plan, which will outline how state, federal, regional and local agencies will provide water for 17 million more people by 2030, a 50 percent increase in the state's population. That will mean finding an additional 2 million to 3 million acre-feet of water while also correcting the state's groundwater overdraft, which is now between 1 million and 2 million acre-feet.

At the same time the three main water users in the state today, wildlife habitat, cities and agriculture, will still put a heavy demand on water supplies. Most of the discussion Thursday focused on environmental concerns and the state's population growth, but Guivetchi also tried to provide some assurance that agriculture would be as valuable as ever.

"That fact that agriculture in California is producing 50 percent more now than 25 years ago is due to good business practices," he said. "Agriculture can continue to be a healthy part of our economy with the amount of water it has today. We cannot afford to take any more water from agriculture to meet urban needs in California."

Many of the presentations earlier Thursday addressed the future of water exports in California, with the state-run Banks Pumping Plant delivering water to more than 20 million people in Southern California by way of the California Aqueduct and the Delta-Mendota Canal serving farms and cities on the western side of the San Joaquin Valley.

Patrick Wright, director of the California Bay-Delta Authority, formerly known as CALFED Bay-Delta Authority, said that responsibility for water policy is increasingly moving toward regional and local agencies. His agency and the various state and federal agencies it represents is responsible for programs related to water quality, environmental protection and coordination of water exports.

He said that the state and federal agencies play an important role in providing funding and policy direction but local actions will ultimately implement the state's water policies.

"We've got to do a better job of capturing what these local agencies are doing," he said, adding that these details are still missing from the larger planning picture. "We simply don't have good data on how water is used regionally."

One agency meeting the regional water management challenge is Metropolitan Water District of Southern California. Tim Quinn, vice president for the district, said that the district's allocation from the State Water Project hasn't changed since 1960, when the district first started importing water to Southern California cities.

"The concept was to keep building dams in the north and send it south as we needed it," he said. "That was the vision but that's not the reality we're living with today."

Reservoir sites were eliminated and regulatory limits have kept the Banks pumping plant from running at maximum capacity.

In order to contend with dry years and regulatory restrictions the district started by controlling demand from its customers, allowing the district to put water from wet years into storage so it would be available in dry years.

Brent Walthall, government relations representative for the Kern County Water Agency, said a similar strategy has been put into practice in his region, which is primarily agricultural.

"Most of our water supply is fairly diversified," he said, adding that the State Water Project is one of the significant supplies.

But for his agency to rely strictly on the State Water Project would leave farmers short of water in dry years, when water can be cut drastically, with some drought years translating to no State Water Project deliveries at all.

"We realized that the era of large infrastructure projects is over," he said. "We embarked on what we consider a very ambitious water management project."

That included groundwater banking during wet years, which has been a success, with other water agencies, even the California Bay-Delta Authority's Environmental Water Account program, turning to the Kern County Water Agency for supplies.

The Environmental Water Account is a CALFED program that guarantees 800,000 acre-feet per-year for aquatic habitat needs. If the water cannot be delivered through exports it is purchased from local water districts.

Gary Wolff, an economist and engineer with Pacific Institute, summed up the question of the day, "Can we grow the California economy without more water?"

"Yes," he said, "because we've done that for the past 30 years."

Wolff showed some charts depicting California's economic growth over the past century compared with water use. Even as water use leveled off in the late 1970s economic growth continued.

Wolff figures that with Californians using 7 million acre-feet of water per-year there is still potential to conserve 2.3 million acre-feet, which could carry the state up to 2030. That water-use efficiency, he said, would need to come from the most local level of all: The consumers.

"We need collaboration like never before. They have to be engaged in implementing improvements and sustaining those improvements over time."#

**Sutter steering watershed**  
**Marysville Appeal Democrat - 10/21/03**  
**By Harold Kruger, staff writer**

Sutter County wants to make its own decisions about drinking water, flood control and riparian habitat before somebody else does.

Armed with a \$195,200 state grant, the county is embarking on a lengthy planning effort for its watershed.

"There are so many services we get from the watershed that sustain us and protect us," said Craig Benson, the environmental coordinator for the watershed project. "It's the basic building block of planning."

Even city dwellers in Yuba City should take note, he said.

"Watershed encompasses all of the land and water of Yuba City and the way it's managed," he said.

The Sutter Watershed Group has scheduled its first public meeting Wednesday in Yuba City.

"We don't have a lot of water we generate," said Mary Keller, the county's deputy director of Water Resources. "It's coming at us and through us."

Benson's consulting firm, Schaaf & Wheeler, in the Bay area and California Engineering Co. in Yuba City are leading the watershed planning task.

"The purpose is to design our own goals for the county water issues versus waiting for the state to mandate requirements," said Keller.

The watershed covers a host of issues, Benson said, including flood control, groundwater recharge, habitat, wildlife and riparian corridors.

"Watersheds don't tend to respect human-made boundaries like county lines or city lines," he said. "Sutter County is a receptor county of a lot of watersheds. We're at the confluence of so many rivers and streams passing through."

Keller noted that 75 percent of the water that flows by Sacramento also goes by Sutter County.

Benson and his team have until mid-2005 to develop an action plan for the county "of the things we should be focusing on," Keller said.

"By getting the folks in the county involved, that will help (identify) what their needs are: better water quality, better use of groundwater, conjunctive use. That will allow us to go after other grant funds," she said.

In its grant application, the county noted that other organizations "are currently moving forward at various stages with restoration programs and projects within and outside of the county. These programs need to be coordinated with local government and local stakeholders."

It's important for the county and its citizens to "let the agencies, both state and federal, know what Sutter County thinks about its own water before a lot of mandates are passed down to us from above," Benson said.

The county's goal is "to become more active in watershed-wide approaches to planning," the application said.

Sutter County is not "late to the dance" compared to other watershed areas, Benson said. "We're in the middle of the pack to the dance."

Keller mentioned the Bear River Watershed Group as one example of ongoing watershed planning

"I never knew it existed until I heard about it one day," she said.

The county's grant application admitted that "there are no watershed planning efforts overseen by Sutter County through CalFed or other funding sources, yet there have been tremendous investments by CalFed and others for watershed projects in upper watersheds which affect Sutter County (such as Auburn Ravine/Coon Creek Restoration in Placer County and Sacramento River Conservation Area)."

As a result, the document said, "there is a huge disconnect when it comes to the implementation phase of those projects. Funding for (Sutter County's) program will help to ensure that these planning efforts are coordinated and brought forward to the local land use authority."

Sutter County supervisors created Keller's position in 1998, but "the one water resource position can not keep adequately informed, nor have the ability to implement successful projects," the grant application said.

The watershed coordinator "is essential for Sutter County to develop a meaningful watershed plan which considers all the various needs of the county from the Sacramento and Feather rivers, to the uniqueness of the Sutter Bypass and the numerous creeks and habitats provided in South Sutter County," the grant document said. #

#### **Toxic Dilemma**

**Plans to restore Delta and Bay wetlands could create a deadlier form of mercury passed up the food chain**

**Sacramento Bee – 10/20/03**

**Part 2 of 2**

**By Stuart Leavenworth, staff writer**

An ambitious plan to restore wetlands in the Sacramento-San Joaquin Delta is getting bogged down in a toxic swamp: Scientists say new wetlands could seriously worsen mercury contamination in the Delta and San Francisco Bay, endangering thousands of people who eat fish from those waters.

Since 1996, a consortium of state and federal agencies called Cal-Fed has spent more than \$50 million buying up farmland in the Delta. It's the first step in a restoration scheme that ultimately could convert more than 140 square miles of farmland back into wetlands and wildlife habitat.



But according to more than a dozen scientists interviewed by The Bee, state and federal officials acted hastily in purchasing some of that land. Eager to get on with the job of restoration, Cal-Fed officials overlooked studies showing that marshes and other wetlands can intensify problems with mercury, a potent neurotoxin that can cause brain damage.

Specifically, microbial processes in wetlands can convert mercury into a more dangerous form - methylmercury - that is easily taken up by fish and passed up the food chain to humans.

As a result, Cal-Fed is slowing down its restoration plans and has pumped \$4 million into mercury studies.

"Unfortunately, Cal-Fed purchased land for wetlands in the exact spots where we already have methylation 'hot spots,' " said Darell Slotton, a mercury expert from the University of California, Davis.

"Ideally, they would have found out these things and then started buying land," he added. "But I can understand the constraints they were under. If they don't buy land when it is available, the opportunity could disappear."

Others say the conundrum underscores how Cal-Fed has operated with little oversight, even as it spends hundreds of millions of dollars.

"There is a huge disconnect between the scientists doing the mercury work and the people handling wetlands," said Becky Sheehan, a lawyer for the California Farm Bureau who sits on a Cal-Fed advisory committee. The various agencies, she said, "sometimes work at cross-purposes."

Patrick Wright, executive director of Cal-Fed, acknowledged the program was somewhat uncoordinated until a few years ago. But in 2001, said Wright, Cal-Fed ramped up its science program to help guide restoration work. And last year, he said, lawmakers created the Bay Delta Authority to oversee the entire program.

Ultimately, say Cal-Fed officials, they hope to find a way to restore marshes while minimizing the methylmercury that wetlands produce. Scientists say that goal is possible, but it may take years of trial and error.

"There is so much about mercury we don't understand," said Chris Foe, a senior scientist with the Central Valley Regional Water Quality Control Board. "We are still learning how it cycles through the system and why some marshes methylate more than others."

Decades in the making, the Catch-22 over mercury has consequences far beyond the Delta, the largest estuary on the West Coast.

For years, ecologists have dreamed of restoring some of the 360,000 acres of tidal marshes that once lined the Delta and San Francisco Bay. According to some estimates, 90 percent of these marshes have been converted to agriculture and other uses over the past century.

Even a partial restoration, said ecologists, would help fish, birds and other wildlife whose numbers have dwindled. That, in turn, would help ease restrictions on water deliveries in the Delta, where more than 20 million Californians get their water.

But wetlands, say Foe and others, sometimes "bring some negatives" into an ecosystem that is out of whack.

"The problem is that mercury is everywhere in California," said Slotton. "That is a big joke for us researchers: We would like to find some nice 'control sites' where there is no mercury, but it was mined throughout the Coastal Range."

Mercury leaches from many of the 30,000 abandoned gold mines and 240 mercury mines statewide. Scientists estimate that about 8.5 million pounds of mercury was "lost" during the Gold Rush as miners used mercury to separate gold from ore.

Not all this mercury poses an equal hazard, notes Charles Alpers, a mercury expert with the U.S. Geological Survey. In the Coastal Range, mercury tends to be wrapped up in the native rock - cinnabar - and is not easily taken up by plants and animals. On the other hand, mercury from the Sierra tends to be much more "bio-available" - and can be readily converted into an extremely toxic form.

In August 1996, a chemist at Dartmouth University, Karen E. Wetterhahn, spilled a few drops of dimethyl mercury, a variant of methylmercury, on her gloved hand. Ten months later, Wetterhahn died of severe neurological poisoning that later was traced back to her 1996 mishap.

Outside of a laboratory, methylmercury in water never reaches such a lethal level, but lower concentrations can build up in fish and other wildlife. Some fish become so contaminated that humans who consume them on a regular basis can suffer brain damage and other problems.

In California, remnant wetlands help convert mercury into methylmercury, and so do inundated floodplains and man-made reservoirs. In all these places, the breakdown of organic matter reduces oxygen and boosts sulfate in the water. In response, bacteria that derive their energy from sulfate start to thrive, converting mercury into methylmercury.

For more than 20 years, scientists have known about this process from investigating mercury problems in the Florida Everglades, the Great Lakes and other places.

Even so, documents show that Cal-Fed purchased more than 20,000 acres of potential restoration sites in the 1990s with little review of possible mercury impacts. Some of the biggest Delta purchases included the flooded 4,760-acre Liberty Island tract in 1999 and the 1,512-acre McCormick Williamson tract in 2000. Agencies also acquired land or easements along the floodplains of the Sacramento, San Joaquin and Cosumnes rivers.

In a paper three years ago, Slotton and other UC Davis scientists warned Cal-Fed about its plans to breach levees around Delta islands and create flooded wetlands. "There is a tangible risk that these restoration activities will increase levels of toxic methylmercury entering the Bay-Delta ecosystem," Slotton and other researchers wrote.

The paper caused a stir within Cal-Fed but did little to change the agency's internal planning, according to Paul Marshall, who formerly headed the Cal-Fed mercury program.

Marshall, who worked at Cal-Fed from 1998 to 2000, said he tried to raise mercury concerns, but he eventually gave up and found another job.

"This is one of those water quality issues that wasn't getting the attention it deserved," said Marshall, who took a job with the Department of Water Resources.

Mercury has climbed higher on Cal-Fed's radar the past two years. In 2002, Slotton and others finished a study showing that areas below Cache Creek and the Cosumnes, where Cal-Fed bought land for restoration and already has flooded some tracts, had some of the worst mercury contamination in the Delta.

On the other hand, researchers found little methylmercury downstream in the central Delta. That finding raises the possibility that something - possibly soil chemistry, possibly microbes - is preventing mercury from methylizing in that region. "It gives us hope," said Jay Davis, a scientist for the San Francisco Estuary Institute.

The Delta isn't the only place where mercury has complicated Cal-Fed's plans.

In the Sierra, biologists were hoping to use cheap gravel from nearby gold fields to restore lost salmon-spawning beds. But they found that much of that gravel is tainted with mercury, Alpers said.

Mercury also has complicated the task of removing old dams, because so much pollution is trapped in the sediment behind them.

Hoping to avoid more conflicts, Cal-Fed organized a symposium last year and invited some of the nation's top mercury researchers to offer advice. The result is a 62-page plan, released this summer, that calls for an integrated approach to studying and controlling mercury sources, assessing the human health risk and making tough choices about restoration.

Cal-Fed confronts one of those choices at a 1,666-acre dairy farm in Contra Costa County known as Dutch Slough. Environmentalists last year urged the agency to spend \$32 million to save the land from imminent development and convert it back to wetlands.

Cal-Fed nearly approved the restorations, but then scientists noted the property sits downstream from the Mount Diablo mercury mine. Ultimately, a Cal-Fed panel awarded \$25 million to purchase the property but held off on awarding restoration funds, a decision that frustrated some environmentalists, who said the known benefits of restoration need to be balanced against the theoretical risks.

In a blind review of the Dutch Slough project, however, at least one scientist warned that Cal-Fed already has caused problems for itself by buying lands without considering the mercury risks.

"This could be a prescription for disaster," said the unnamed reviewer. "We could end in 10 years with a suite of marshes that have dramatically increased methylmercury levels in fish around the estuary."

**Mother lodes of mercury**  
**Waste from old mines poisoning state's fish**  
**Sacramento Bee - 10/19/03**  
**Part 1 of 2**  
**By Stuart Leavenworth, staff writer**

ABBOTT-TURKEY RUN MINE -- The Gold Rush spirit still lingers in the air of this 130-year-old quicksilver mine, where prospectors once extracted mercury and then hauled it to the Sierra for the processing of gold.

But history isn't the only thing that oozes from this abandoned Lake County mine. Every time it rains, toxic mercury gushes from a mountain of spent ore and dumps into nearby Cache Creek. From there it flows to the Sacramento River, adding to the contamination that taints fish from the Sierra to the San Francisco Bay.

One of an estimated 30,000 abandoned mines statewide, the Abbott-Turkey Run mine is a mother lode of mercury. It is hardly the only one. Across Northern California, thousands of mines, creeks and reservoirs are polluted with mercury, a potent neurotoxin that continues to bleed into the Sacramento-San Joaquin Delta, fouling the food chain of the West Coast's largest estuary.

State and federal authorities have known about the problem for decades, but because of funding constraints and other priorities, they are just starting to assess the possible risks to people and wildlife. High levels of mercury have been found in bass and other sports fish. But health officials haven't studied whether certain groups, particularly immigrants who get much of their protein from fish they catch themselves, are consuming toxic amounts.

"Mercury is like the crazy aunt that California has kept in the closet all these years," said Bill Jennings, head of the Deltakeeper environmental group. "The gold miners probably had no idea of the legacy they were leaving behind. Now, no one wants to acknowledge it exists."

Used for centuries in mining and other industries, mercury is not just a theoretical threat. In the mid-1900s, fish laden with industrial mercury poisoned more than 10,000 people over several years in Minamata Bay, Japan, killing 46 and incapacitating hundreds.

Toxicologists note that the fish consumed in Minamata were far more contaminated than anything found in California. Even so, experts say there are enormous uncertainties over what constitutes a "safe level" of mercury, and what could happen as mercury drains down into the Delta and beyond.

Some studies have shown that even commonplace levels of mercury in fish can impair brain function in children and developing fetuses, according to Dr. Robert Brodberg, a toxicologist with the California Environmental Protection Agency.

"There is a huge gray area where symptoms begin," said Brodberg. That's why state and federal agencies urge women of childbearing age to curb their consumption of certain fish, he said.

Wary of the risks, state lawmakers and regulators recently have cracked down on minute amounts of mercury found in lamps, batteries and sewage effluent. Attorney General Bill Lockyer has sued grocery stores that don't warn consumers about mercury in seafood. Even crematoriums are being investigated for releasing mercury -- contained in dental fillings -- from their smokestacks.

Despite these efforts, some scientists say California has yet to tackle its largest source of mercury: the mining waste that lingers from the Gold Rush.

"The question is, how long do we wait before we start to remediate the problem?" said Chris Foe, senior scientist for the Central Valley Regional Water Control Board. In recent years, Foe and other scientists have launched several important studies to assess mercury contamination in Northern California, but cleanup efforts have been sporadic, he said.

Part of the problem is the vast scope of this toxic inheritance. Soon after gold was discovered at Sutter's Mill in 1848, prospectors and mining companies started digging mercury ore from about 240 mines statewide, mostly in the coastal range.

The ore was baked in primitive furnaces to render the liquid quicksilver. Although some was shipped off to Asia, most of the mercury was carted to an estimated 13,500 gold mines in the Sierra and other parts of the state. There, it was poured into hand-hewn sluices and "stamp mills" to separate the gold from the ore, according to Ron Churchill, a senior geologist for the California Geological Survey.

Churchill estimates that, because of the crude methods, 8.5 million pounds of mercury was "lost" to the environment during the Gold Rush, mostly in streams of Northern California.

Even today, divers can find nickel-size globules of quicksilver on the bottom of Sierra streams.

"It seems to be ubiquitous in streams that were subject to gold mining," said Rick Humphreys, a geologist with the State Water Resources Control Board.

Although worrisome, such blobs of elemental mercury aren't the direct cause of mercury-tainted fish. That's because the globules are in an inorganic form that can't easily be taken up by plants and other organisms.

As the mercury moves downstream, however, natural bacteria convert it into an organic form -- methylmercury -- that moves readily up the food chain.

"Methylation is a critical step in turning mercury into a human health risk," said Charles Alpers, a mercury specialist with the U.S. Geological Survey in Sacramento. Often this transformation occurs in wetlands and reservoirs, he said, where low-oxygen conditions breed the kind of bacteria that turn raw mercury into its more dangerous cousin.

Since the early 1990s, scattershot testing has found high levels of methylmercury in the Delta, the San Francisco Bay and seven lakes and creeks in Northern California as well as in Lake Nacimiento in San Luis Obispo County. Formal state advisories have been issued for all these waterways, but many are not posted and anglers are not always aware of the possible risks.

On any given weekend, thousands of boaters and shoreline anglers converge on the Delta, many fishing for striped bass. Although old-timers say they eat little of their catch, the same is not true for newcomers.

On a recent weekday, Bob Lau could be found fishing at Brannan Island State Recreation Area near Rio Vista. As a red sun rose over the Delta, Lau baited his hook and set about trying to catch bass.

Lau, a recent immigrant who lives in the Bay Area, said he regularly catches fish from the Delta and brings them home to his family. But he hadn't heard about pollution warnings.

"Mercury?" asked Lau in halting English. "I don't know what that is."

State health officials say they are working on education programs for anglers, but to be effective, such efforts must cover a wide chunk of the state.

Preliminary tests also have found high levels of mercury in Lake Natoma near Folsom, Far West Reservoir in Yuba County, and parts of the Yuba and Feather rivers. One bass from the Feather had mercury levels of 4 parts per million -- four times higher than the level considered safe by the U.S. Food and Drug Administration.

State authorities say, over time, they expect to find many more places where people should either limit their consumption of fish, or avoid it altogether.

"Frankly, there are a lot of places in the state, and even here locally, that haven't been anywhere near to adequately monitored," said Brodberg, the state EPA toxicologist.

Critics say the problem is compounded by the fragmented nature of the many agencies that have responsibility over waterborne pollutants.

In California, the cleanup of mines falls under the jurisdiction of the federal EPA and at least two state agencies. Cal-EPA sets health advisories on consumption but depends on county health departments to post warning signs and educate anglers.

Much of the ongoing research on mercury is being funded by a state-federal consortium called Cal-Fed, which itself has come under fire for ignoring water quality concerns in the Delta. In recent years, Cal-Fed has been buying Delta farmland and starting to restore thousands of acres back into tidal marshes, despite studies that show new wetlands could convert raw mercury into methylmercury.

"Unfortunately, one of the things Cal-Fed has done, not intentionally, is create marshes below major mercury sources -- in the Yolo Bypass, in the Cosumnes River and below the Mount Diablo mine," said Foe. "That means we need to reduce, to the maximum extent possible, the loads of mercury coming into the system."

It won't be an easy job.

According to state officials, it probably would cost billions to clean up just some of the 240 mercury mines in the Coastal Range alone. Some are spread over hundreds of acres, with unmapped tunnels that continue to feed mercury to creeks and natural springs.

One of these is the Abbott-Turkey Run mine near Clear Lake, which was mined for a century, then abandoned in 1970. Scientists say it is the largest single mercury polluter in the Cache Creek basin, which itself is the largest source of mercury in the lower Sacramento River.

On a recent Friday, Churchill, the state geologist, paid a visit to the orphaned mine. Walking uphill from Highway 20, Churchill passed a massive mound of mining tailings that unleash mercury with every storm. Farther uphill, he hiked into a weathered wood-and-metal shack, which houses a rusty, 60-foot-long furnace where miners used to roast the ore.

Churchill marveled at the historic furnace, then grimaced when asked if contractors could easily staunch pollution from the mine.

"There's nothing cheap about any of this," said Churchill, wiping his brow. With several million dollars, he said, contractors possibly could build a system of pipes and culverts to shunt rainwater away from the mine tailings. New vegetation could be planted to staunch erosion, or ponds could be built to intercept the runoff.

"But you can't just fix a site and walk away from it," said Churchill. "Who is going to do the maintenance? And who will pay for it over the long haul?"

Even if California were flush with funds, state officials are unsure whether they could clean up mines on private property without being tripped up by liability problems.

In 1978, the East Bay Municipal Utility District sought state help in controlling acid runoff from an abandoned mine it had acquired in Calaveras County. EBMUD and the California Regional Water Quality Control Board built a series of holding ponds at the Penn Mine, which reduced the toxic runoff but didn't eliminate it.

Environmentalists sued. The regional water board and EBMUD lost. Then, the federal EPA ordered both parties to clean up the entire site, even though they weren't responsible for the original pollution.

Since then, state and local agencies have been leery of tackling pollution from mines on private property. "They fear they will get stuck with another lawsuit," said Humphreys, with the State Water Resources Control Board.

Unsure about their latitude in cleaning up mines, state and federal authorities are weighing other approaches to counter this legacy of the Gold Rush.

Alpers and other USGS scientists are examining whether pumping oxygen into reservoirs would reduce the methylation of mercury. Churchill is studying whether a catchment basin near Woodland could be enlarged to intercept mercury that regularly washes into the Yolo Bypass from the Cache Creek mines.

Cal-Fed has \$17 million it can use as a down payment for such projects. "But if you look at all the abandoned mines all over the watershed, \$17 million won't go very far," said Donna Podger, a mercury program manager for Cal-Fed.

Given the scope of the problem, and the limited funds, scientists and regulators are wrestling with how to get the biggest "bang for the buck." Some want an aggressive program of cleaning up mines. Others want to focus on the sites where mercury is being converted into methylmercury. Still others suggest the best strategy is simply to warn anglers that the fish they catch may be tainted, since there is no easy engineering fix.

Compounding this debate is the question of what will happen in the future. Will mercury contamination stay at current levels? Or will it intensify, turning a lingering problem into a public health crisis?

"We don't know what is going to happen over time," said Brodberg. "But it is well known that mercury has these effects on the nervous system and brain development. So we want less mercury in the environment. We don't want more."#

### **What you need to know about mercury**

Methylmercury is an organic form of mercury easily taken up by microorganisms and passed up the food chain from fish to people. Natural processes in lakes and rivers convert mercury into methylmercury.

### **How does mercury get into the environment?**

Some mercury is natural, coming from volcanoes and geothermal vents. In the United States, coal-fired power plants are the largest human source. Mercury falls into waterways and is converted into methylmercury. In California, the largest source is leftover mercury from the Gold Rush.

### **What is the threat?**

Methylmercury attacks the central nervous system. At high enough levels, it can result in loss of coordination, blurred vision, blindness and hearing and speech impairment. It is especially dangerous for children and developing fetuses.

#### **How can I be exposed to methylmercury?**

The main exposure is from eating fish that have built up the toxin. Fish high on the food chain, such as swordfish, sharks and bass, tend to have the highest levels. The Food and Drug Administration advises pregnant women and women of childbearing age not to eat more than 12 ounces of store-bought fish weekly and to avoid eating fish they catch themselves.

#### **Is drinking water a threat?**

No. Methylmercury levels in drinking water are extremely low.

#### **Has anyone been poisoned by mercury-laden fish in California?**

Authorities have found no cases of poisoning yet, but they haven't launched a full investigation.

#### **Where can I get more information?**

The state Office of Environmental Health Hazard Assessment posts advisories on mercury. The Web site is [www.oehha.ca.gov/fish/hg/](http://www.oehha.ca.gov/fish/hg/).

Sources: U.S. Environmental Protection Agency; California Office of Environmental Health Hazard Assessment

#### **Inner-river etiquette: New policy may make farms and new habitat better neighbors**

**Chico Enterprise Record - 10/16/03**

**By Heather Hacking, staff writer**

The Sacramento River Conservation Area Forum passed policies recently to create more dialogue when land use along the inner-river meander zone changes, and to ask for consideration of buffer zones or fences between new habitat and farms.

The board voted this summer for two "landowner assurances" items.

The group is also still working on other key issues - accidental harm of habitat and wildlife when farming takes place; creating a committee to deal with landowner grievances; and a way to compensate landowners for economic loss due to habitat restoration.

The SRCA Forum recently wrote to the California Bay-Delta Authority to ask for some money, help and technical assistance on regulatory issues.

For some time farmers have voiced concern about restoration projects along the Sacramento River, fearing that habitat nearby could mean more pests on farms or that the presence of sensitive species could mean growers would need to change the way they farm.

While weighing the issues with farm vs. the environment, other concerns such as recreation and flood control also need to be considered.



A special committee was set up within the SRCA Forum to address these "landowner assurances" issues.

The newest step by the forum board of directors is that when changes occur within the inner-river zone, landowners in the area who might be affected will be notified.

"Where possible," the measure states, "all potentially affected neighbors should be contacted prior to initiating any actions to anticipate and avoid negative impacts."

The second assurance measure addresses habitat restoration and asks the people doing a project to anticipate potential impacts and to plan ahead to avoid them. It also asks that nearby landowners be asked for feedback and continue to be updated as the planning and restoration occurs.

The policy continues that there should be a local contact person who is readily accessible.

If public funds are used for the restoration, studies should be available for public review, it continues. Also, buffer zones or fences should be considered.

SRCA Forum manager Burt Bundy said he is "pretty positive about what we've accomplished."

Sometimes the progress has been slow, but that's the nature of the forum. People from different areas of interest in land use come to the table and try to reach a middle ground.

The California Bay-Delta Authority (formerly known as CalFed) requires that when money from the program is used in this area along the river, the SRCA Forum must be used. But even groups such as The Nature Conservancy, which uses private funds like those from the Packard Foundation, will use the forum to keep landowners up-to-date.

Among the accomplishments by the forum so far, Bundy cited planning for levee protection along the river near Hamilton City. The project will include habitat restoration. Planning funds have come from the Corps of Engineers and the Bay-Delta Authority.

"We've basically assisted in bringing those two groups together to come up with a plan," he said. The group also helped with discussion when gravel was removed along the river to unblock infrastructure for M&A;T Ranch and the city of Chico.

Grant money was also given by CalFed to deal with a longer-term solution to that problem.

Bundy said by working through the SRCA Forum, projects have been improved by having the players talk in detail.

In the future, projects may include looking at conservation easements on farmland. This offers farmers financial incentive to use the land in a way that is more compatible with adjacent wildlife, Bundy said.

Despite the steps forward, some of the people who have worked with SRCA Forum are still frustrated.

Jeff Sutton, president of Colusa-based Family Water Alliance, said passage of the first two landowner assurances is a good step forward, but there's no means to require something like buffer zones, he said.

"We would like to see that these safeguards are made a requirement with proposals before grants go out," he said.

Sutton said as he sees it, the environment already has many safeguards, such as the Endangered Species Act. Agriculture doesn't have those kinds of protections, to protect against damage from habitat moving in next door, he said. He's worried as well about lost tax revenue to local governments when land is changed from ag to habitat.

But Carol Wright of the Sacramento River Preservation Trust said she's very concerned the environment isn't getting fair consideration. She believes the forum is weighted toward property rights groups. She said strong advocates like herself are not voting members on the board.

"We can voice our opinion and we are listened to and people do discuss it with us, but when it comes down to decision-making, we don't have a vote," Wright said.

The first two policies passed recently were relatively easy, but now the forum is moving into the more contentious issues such as a grievance committee and funds for property damages.

She said the current trend is for habitat restoration to bend to the needs of agriculture, without asking agriculture to bend to the needs of habitat.

Wright said environmentalists really need to rally and make sure that protections are made.

"The earth is at stake so we have to get more dramatic, more verbal, more loud, more active in our approach," Wright said.

Dawit Zeleke, manager of the Sacramento River Unit of The Nature Conservancy, said groups like Family Water Alliance would like to see the SRCA Forum process go away.

But it's always going to be the case that not everybody will be happy, he said.

"It's not a love-fest, but it works in its own limited way," Zeleke said.

Sometimes the process is frustrating and slow, said Anjanette Martin, manager of the Colusa Basin Drain District.

"But it's better than everything done in secret," she said.

She said the group is nearing a place where it might be able to test some of the principles being talked about and see how they translate from paper to reality.

What is the SCRA Forum?

The Sacramento River Conservation Area Forum is a group set up to talk about land use along the river. The goal is to have a place where different interests can meet and listen to others' point of view and hopefully come to compromises.

The forum covers the inner-meander zone of the Sacramento River from Red Bluff to Colusa, and includes members from seven counties.

Members include one member of the board of supervisors from each of the counties along the 200 miles of waterway. There are also seven landowner members. The 15th voting member was appointed by the state secretary of resources. Non-voting members include people with interests along the river, such as sometimes conflicting advocates for the environment, property rights or recreation.

The California Bay-Delta Authority has a policy that any project funded through the agency must go through the forum's process. #

**Los Vaqueros a prime fishing hole**  
**Contra Costa Times - 10/12/03**  
**By Danielle Samaniego, staff writer**

BYRON - With fishing derbies and triathlons on the fall schedules of many local marinas and Delta hot spots, it is easy to lose sight of the secluded and serene waters of Los Vaqueros Reservoir.

While up to 450,000 county residents get most of their drinking water from the reservoir, others tap it for lackadaisical days along the shoreline and piers, where recreational fishing thrives.

"Of all the reservoirs in the area, Los Vaqueros is probably the best trout-fishing reservoir around," said Livermore resident Norm Higashi, 56. He's been coming to the fishing hole for a year and finds it easier to hit than his favorite fishing spot. "As far as locale is concerned, it's a lot better than driving up all the way to Tahoe. I can come here every week; I can't go up there every week."

Embedded in the 20,000 acres of sprawling hills that make up Los Vaqueros, the reservoir is now a prime fishing ground. After a March 4 advisory vote among area residents, it could get even bigger.

Officials of the Contra Costa Water District, which owns the land, do not allow any activities that may contaminate the water.

Water-skiing and swimming, for example, are prohibited, the only boats allowed are electric motorized ones rented and operated by the marina, and anglers are limited to certain types of bait.

But what Los Vaqueros lacks in free rein, it makes up for in stocking with more than 10 species of game fish. Everything from largemouth bass to rainbow trout run rampant.

"We've done well. It's really taken off since the fishing came in," said Jim Freschi, spokesman for the water district. "Ninety percent of the people that come out there come for fishing. The fishing has really changed the recreational aspect of Los Vaqueros."

Out of the water, family-friendly trails snake throughout the land. Los Vaqueros Interpretive Center also is available weekly to school groups within the water district's service area and is open free to the public Friday through Sunday.

Third-graders from Pittsburg's Stoneman Elementary School visited the center Wednesday. Their four-hour tour included a short hike along the trails near the reservoir and a comprehensive tour of the center, providing a look at the area's history and the wildlife that now inhabit the land.

"It's a great opportunity for the kids to see where their water comes from and why it's here," said Diana Granados, an instructor from Native Bird Connections, an organization dedicated to helping non-releasable wild birds and other animals. She spent the morning highlighting the wildlife in the area with live animals such as a falcon and a gopher snake that coiled around her arm. "I feel it's not only educational for the kids but it's one of the shining gems of the Contra Costa Water District. I can't think of a better field trip."

The excursion was also educational for parents.

"I think it's great, and I think it's beautiful," said Natalie Georgia, 38. "But the worst part is that I never knew it was here. It is gorgeous and so close to home. I have four daughters and I'd love to bring them out here."

The little-known reservoir could get bigger. CalFed, a consortium of state and federal agencies dedicated to improving water management, hopes to expand the reservoir to improve the area's drought-time water supply. The project would not affect ratepayers financially or alter the recreational activities now available, Freschi said.

"If anything, there'd be a bigger lake to go fishing in," he said.

The advisory vote is March 2. If residents vote in favor of the expansion, the water district and other agencies would pay for it, Freschi said.

For now, water district officials are just happy to see residents catching on to Los Vaqueros as a recreation destination.

"More and more people are discovering it," Freschi said. "Even though it's been there since 1998, we're getting the word out. It's definitely growing."

- Hours: 7 a.m. to 7 p.m. every day through Oct. 31. Open 365 days a year, though hours are subject to change.
- Interpretive Center hours: 9 a.m. to 4 p.m. Fridays and Saturdays.
- Parking fee: \$6 general, \$4 for residents served by the Contra Costa Water District.
- Information: Marina, 925-371-2628; Interpretive Center, 925-240-2440.#

## **Cleaning up the creeks**

**Sonoma Index Tribune - 10/7/03**

**By Patricia Henley, assistant news editor**

A vast array of fast-food wrappings, beer bottles both intact and broken, soda cans, Styrofoam packing pellets, an orange plastic highway cone, an unidentified piece of metal and a huge amount of cigarette butts were bundled into black plastic bags Saturday morning, as a group of about 20 volunteers cleaned up Fryer Creek in downtown Sonoma.

The work party included nearby homeowners as well as a crew of Sonoma Valley High School students who got extra credit in Dean Knight's science class for their watery efforts. The group hauled trash out of the water and off the creek banks from Second Street West south to MacArthur Street and north of Andrieux Street.

The event was co-sponsored by the recently formed Friends of Fryer Creek and the Sonoma Ecology Center, which organizes cleanup and restoration efforts on waterways throughout the Sonoma Valley.

The ecology center depends a great deal on the efforts of local residents, said Caitlin Cornwall, the center's assistant director and biologist.

"We can't be everywhere," Cornwall said of the ecology center staff. "It takes the involvement of the people who live by these creeks, because these creeks belong to everyone and it takes everyone to take care of them. It requires a lot of eyes and a lot of minds and a lot of hands."

In addition to cleanup and restoration efforts, the ecology center's Stream Stewards program uses trained volunteers to help measure creek flow and gather information about the watershed.

And for large projects that can't be accomplished by volunteers, the center seeks out grants and other funding sources.

Today an experienced crew from the California Conservation Corps (CCC) from Ukiah will be working on Sonoma Creek at Warm Springs Road, just south of Kenwood, said Will Pier, the ecology center's fisheries restoration coordinator.

Under a joint project with the Sonoma County roads department, the CCC crew will be installing 30-foot to 40-foot redwood logs in the creek, anchoring them to trees and boulders, Pier said.

This will serve two purposes. First, it will shore up a creek bank that has been eroding under Warm Springs Road. It will also provide prime habitat for juvenile steelhead.

"The logs cause a scouring action that makes deep pools during the high (winter) flows," Pier said.

Those deep pools and the logs that created them will provide protection for young steelhead during the dry summer months.

On Wednesday and Thursday, the CCC crew will be installing similar logs on Calabazas Creek off Nun's Canyon Road. The work is being paid for in part by a grant from the CalFed Bay Delta Project as well as funding from the state's Fish and Game Department.

For more information about Friends of Fryer Creek, contact Pete Monga at 935-9162, e-mail [Prmonga@yahoo.com](mailto:Prmonga@yahoo.com); or Vickie Sublette, 938-9177, e-mail [Vickie@feldermouse.com](mailto:Vickie@feldermouse.com).

To volunteer or get more information about how to clean up local creeks or join the Stream Stewards, contact Wendy Losee at the Sonoma Ecology Center at 996-0712.#

### **Editorial: Wary of water plan Contra Costa Newspapers - 10/5/03**

A plan to increase water supplies to Southern California could send another 1 million acre-feet a year south from the Delta. That's enough water to supply most of the Bay Area and an increase of more than 15 percent of Delta water flow.

Several aspects of the water plan are disturbing, however. First and foremost is its volume. A couple of months ago, the Napa Proposition, put together by Southern California water users, the state Department of Water Resources and the U.S. Bureau of Reclamation, estimated about 200,000 acre-feet would flow southward through the Delta. Now it appears that figure could be five times as much.

The greater the volume of water, the higher the potential for environmental damage and a reduction in the quality of water used by the Contra Costa Water District and farmers in the Central Valley.

Advocates of the Napa proposal argue that they have environmental safeguards and that their plan is similar to the CalFed water program. CalFed, a group of varied urban and agricultural water users, has been working on a plan to improve the Delta environment while meeting water users' needs since the mid-90s.

However, there is considerable skepticism that the Napa plan is virtually the same as the CalFed plan. While the Napa plan promises to take steps to maintain environmental and water quality standards, CalFed's goal is to steadily improve the Delta environment, not just try to maintain it.

Also upsetting is the fact that the Napa Proposition was pieced together in secret during four days of closed-door meetings in July. If the Napa plan is truly environmentally safe, why were environmental interests excluded in the meetings? Why were no Delta water agencies there either? The Contra Costa Water District did have an observer, but was not allowed to participate in the talks. Locking out Delta water agencies and environmentalists is no way to gain public confidence concerning the Napa Proposition.

Tim Quinn, vice president of Southern California's massive Metropolitan Water District, says the Napa plan does not include a Peripheral Canal or new dams. That may be true, but it does involve a huge increase in the siphoning of water from the Delta.

The Napa plan claims environmental responsibility, yet it sidestepped the CalFed process and kept Delta water agencies out of the meetings.

What is needed if the Napa Proposition is to advance are solid guarantees that adequate fresh water will flow into the Delta at all times and that there definitely will be environmental improvements to the region, not just vague promises of environmental sensitivity.

The Napa plan cannot advance without federal authorization, and the key player in the House is Rep. Richard Pombo, R-Tracy. He is chairman of the Natural Resources Committee and is likely to have a key role in any decisions on water transfers. We trust he, along with Reps. Ellen Tauscher and George Miller, will do all they can to make sure any water transfer plan is environmentally friendly and is developed in clear public view. #

**Fix Delta problems before taking more water, officials say**  
**San Joaquin Record - 10/1/03**  
**By Audrey Cooper, staff writer**

A plan to suck up to 326 billion gallons more water each year from the Delta shouldn't move forward unless strategies are in place to fix the Delta's current woes, local water officials said Tuesday.

That means solving problems with Delta salinity, pollution, low water-oxygen levels in Stockton that routinely result in massive fish die-offs, unnavigable channels and low river levels, environmentalists and Delta farmers said at a state Senate committee hearing, held in Stockton.

Some of the most important players in California water issues gathered for the hearing called by Sen. Michael Machado, chairman of the Agriculture and Water Resources Committee.

The hearing was designed to cast light on a plan drafted behind closed doors by some of the biggest exporters of Delta water and government water officials. The so-called Napa Plan, written in mid-July, could dramatically increase the amount of water pumped out of the Delta but gives few concrete promises to protect Delta farmers, the environment or cities that take drinking water directly from the Delta.

If implemented, the Napa Plan would be one of the biggest changes to Delta water use in more than a decade.

The water that now flows into the Bay-Delta is only one-third of what it once was. In part, that's because massive dams trap the water before it ever reaches the Delta. But another 25 percent of the Delta's water -- enough to support about 30 million people a year -- is directly sucked up by either the State Water Project or the federal Central Valley Project. Both projects use giant pumps near Tracy to redirect water south via aqueducts and canals.

Those exports have caused concentrations of pollutants and salt, low river levels and have hurt populations of rare fish, both government and private studies show.

The Napa Plan was designed to coordinate the two water projects to make it easier for the state and federal governments to export water when it's most needed. The coordination scheme could work so well that much more water could be pumped, according to plan advocates. Estimates of additional exports under the Napa Plan range from 200,000 acre-feet of water to 1 million acre-feet. An acre-foot of water can roughly meet the annual needs of about five people.

After the Napa Plan became public in August, Delta water interests complained that they were once again being left out of important water discussions that could worsen water-quality and environmental problems.

On Tuesday, Machado said that legislation may be needed to make sure that water exporters and government agencies resolve the Delta's problems before taking more water. He pointed to a recent package of bills that helped resolve a contentious debate over how California would share its portion of the Colorado River. Those bills might be a model for how to proceed with the Delta's problems, he said.

"Nobody should be allowed to cause further abuses of the Delta," said Machado, D-Linden.

"I'm intrigued about using legislation to hold these various parties together to make sure the improvements and additional exports happen at the same time," he said.

In mid-December, a draft environmental review is expected that some water officials hope will incorporate Delta improvements and the additional exports.

But Alex Hildebrand, a Manteca farmer and director of the South Delta Water Agency, said talks between Delta farmers and the water exporters have run into a major roadblock. While the two sides have agreed on some issues, the exporters say they're unwilling to consider ways to improve the Delta if it means they get less water, Hildebrand said.

"The Delta may take a beating again, because doing what it takes to fix the situation would interfere with exports," he said.

But Tom Birmingham, general manager of the Westlands Water District, which covers 600,000 acres of mostly farmland on the west side of Kings and Fresno counties, said more studies are needed before any proposals are rejected. He said he hopes to work out a peace agreement with Delta interests that would allow the Napa Plan to move forward.

Meanwhile, all sides said they were still committed to the CALFED Bay-Delta Program, a state-federal effort to improve the ecosystem and water quality while ensuring reliable water exports. CALFED was a major truce in the state's water wars, but some experts have complained that the Napa Plan was an attempt to circumvent a major CALFED principle: We all get better together.

Patrick Wright, CALFED's executive director, said that the environmental studies due in December will address the issues reiterated at Tuesday's hearing.

That has to happen in order to appease politicians, the Delta and the exporters, Wright said. #

### **Interior Department to continue supporting CalFed Associated Press - 10/1/03**

SACRAMENTO - The U.S. Interior Department on Tuesday agreed to offer continued support in the federal and state partnership to manage water in the Sacramento-San Joaquin Delta.



Assistant Interior Secretary Bennett Raley signed the memorandum of understanding indicating that 11 federal agencies would remain involved with the CalFed Bay-Delta program, according to an Interior Department statement.

"Over the past three years, Congress has appropriated \$600 million for federal agency programs in California that contribute to the CalFed effort," Bennet said in the statement.

Now in its fourth year, CalFed is a 30-year plan intended to restore the delta, ensure a reliable supply of water for the nation's most productive farmland and provide drinking water for 22 million Californians.

On the Net: CalFed: [www.calwater.ca.gov](http://www.calwater.ca.gov) #

### **BAY-DELTA PROGRAM**

#### **Statement Issued 9/30/03 by Department of Interior on Funding Bay-Delta Program:**

Assistant Secretary Bennett Raley, the lead Federal representative, today signed the Implementation Memorandum of Understanding confirming the Department of the Interior's (Interior) continued commitment to the CALFED Bay-Delta Program in California.

"This MOU will continue the active engagement of 11 Federal agencies in CALFED. Over the past three years Congress has appropriated approximately \$600 million for Federal agency programs in California that contribute to the CALFED effort. In addition, our agencies are relying on over fifty existing authorities (passed by Congress) that continue to enable Federal agency participation" said Raley.

At a time when the West faces chronic water supply challenges, California's efforts to work collaboratively with stakeholders, Federal, and public agencies represent a significant achievement in addressing the future water needs of the largest state in the Nation.

Interior reaffirmed its commitment to the public stakeholder process on August 7, 2003, by renewing the 30-member California Bay-Delta Public Advisory Committee Charter.

As the lead Federal agency for the Bay-Delta Program and a participant with the State of California's Bay-Delta Authority that oversees implementation of the Bay-Delta Program, Interior is committed to the goals established in the ROD and to ensuring balanced progress of the Program. The Bay-Delta Program has made consistent progress in conjunction with the 24 participating Federal and State agencies in identifying and beginning to address water challenges in California. As it begins its fourth year of implementation of a 30-year plan to improve water supply reliability, water quality, levee system integrity, and ecosystem restoration in California, CALFED continues to enjoy the agency and stakeholder involvement that has been its hallmark for the past decade. #

**ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE****CONSIDERATION OF A RESOLUTION ADOPTING A CONFLICT OF INTEREST CODE****Agenda Item: 4****Meeting Date: December 11, 2003**

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**Summary:** This resolution would adopt a conflict of interest code for the Authority, as required by law of all State agencies.

**Recommended Action by BDPAC:** No action to be taken.

**Recommended Action by Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-01, which will formally adopt a conflict of interest code in compliance with State law. The terms of the code, including the list of designated employees and financial disclosure categories to which they are assigned, are standard for State boards and commissions.

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**Background**

The State Political Reform Act requires State and local government agencies to adopt and promulgate conflict of interest codes (Government Code sec. 87300 et seq.). As a new State agency, the California Bay-Delta Authority must comply with this requirement.

The California Fair Political Practices Commission (FPPC), which administers the Act, has adopted a regulation which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. Those standard terms include, among other things, the need to establish designated employees and financial disclosure categories (as discussed below), as well as relevant gift and loan limitations, honoraria prohibitions, and disqualification provisions. The Authority's code incorporates this regulation by reference, and any amendments to it duly adopted by the FPPC.

As required, the Authority's code contains as an Appendix, specific designation of the positions within the agency which involve the making or participation in the making of decisions which may foreseeably have a material effect on a financial interest, and for each such designated position, a disclosure category which reflects the specific types of investments, business positions, interests in real property, and sources of income which are reportable. Designated employees are required to disclose in their statements of

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economic interest (Form 700) those financial interests which are of the kind described in the disclosure categories to which they are assigned in the code. The list of designated employees and relevant disclosure categories in the Authority's code are standard for State boards and commissions.

Consistent with FPPC rulemaking procedures, the proposed code was provided to affected employees for their review, and a 45-day written comment period was established. No comments were received by staff by the close of the comment period, October 20, 2003. Once the code is adopted by the Authority, it will be forwarded to the FPPC, which must formally approve it before it can become effective.

### **Fiscal Information**

Not applicable.

### **List of Attachments**

Resolution No. 03-12-01

Attachment 1 - Conflict of Interest Code

### **Contact**

Chris Stevens  
Chief Legal Counsel

Phone: (916) 445-5511

**Agenda Item: 4**

**Meeting Date: December 11, 2003**

**CALIFORNIA BAY-DELTA AUTHORITY  
RESOLUTION NO. 03-12-01**

**ADOPTING A CONFLICT OF INTEREST CODE**

**WHEREAS**, State law requires every State and local agency to adopt and promulgate a conflict of interest code, which among other things, specifically enumerates positions within the agency which involve the making or participation in making of decisions which may foreseeably have a material effect on a financial interest, and for each such position, the specific types of investments, business positions, interests in real property and sources of income which are reportable; and

**WHEREAS**, the California Bay-Delta Authority is a new State agency which must comply with the requirement to adopt a conflict of interest code; and

**WHEREAS**, the Authority's proposed conflict of interest code incorporates by reference standard terms recommended by the California Fair Political Practices Commission (FPPC), including a list of designated employees and financial disclosure categories which are standard for State boards and commissions; and

**WHEREAS**, consistent with FPPC rulemaking procedures, the Authority's proposed code was provided to affected employees for their review and a 45-day written comment period was established—with no comments received by the end of comment period, October 20, 2003; and

**WHEREAS**, after the Authority adopts its conflict of interest code, it must be forwarded to the FPPC, which must formally approve it before it can become effective;

**NOW, THEREFORE, BE IT RESOLVED** that the California Bay-Delta Authority adopts the attached conflict of interest code, and directs staff to forward the code, together with a copy of this resolution, and any other required documents, to the Fair Political Practices Commission for its approval.

**CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the Authority held on December 11, 2003.

**Dated:**

**Heidi Rooks  
Assistant to the California Bay-Delta Authority**

**Agenda Item 4**  
**Attachment 1**

CONFLICT OF INTEREST CODE FOR THE  
CALIFORNIA BAY-DELTA AUTHORITY

The political Reform Act (government Code Section 81000 et seq.) requires State and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) which contains the terms of a standard conflict of interest code, and which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the California Bay-Delta Authority ("Authority").

Designated employees shall file their statements with the Authority, which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008.) Upon receipt of the statements for the members of the Authority and the Director, the Authority shall make and retain a copy and forward the original to the Fair Political Practices Commission. Statements for all other designated employees will be retained by the Authority.

AUTHORITY: Gov. Code Sections 87300 and 87306.

REFERENCE: Gov. Code Sections 87300-87302 and 87306.

**CONFLICT OF INTEREST CODE FOR THE  
CALIFORNIA BAY-DELTA AUTHORITY**

**APPENDIX**

<b><u>Designated Positions</u></b>	<b><u>Assigned Disclosure Category</u></b>
Member, California Bay-Delta Authority	1
Director	1
Chief Deputy Director	1
Deputy Director, Administration	1
Deputy Director, Communications	1
Deputy Director, Ecosystem Restoration	1
Deputy Director, Water Management	1
Deputy Director, Regional Coordination	1
Chief Counsel	1
Staff Counsel	1
Lead Scientist	1
Deputy Director for Science	1
Assistant Deputy Director	1
Assistant Director for Legislative Affairs	1
Assistant Director for Policy and Finance	1
Program Manager	1
Chief of Program Tracking	2
Environmental Justice Coordinator	1

Tribal Coordinator	1
Chief of Program Administration and Information Services	4
Chief Information Officer	1
Chief Information Security Officer	5
Chief of Budgets	1
Chief of Contracts	1
Chief of Accounting	2
Public Information Officer	1
Environmental Program Manager I	1
Environmental Program Manager II	1
Regional Coordinator	1
Assistant to the Authority	1
Assistant to the Bay-Delta Public Advisory Committee	1
Supervising Engineer	1
Consultant <sup>1</sup>	1

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<sup>1</sup> Consultants are considered designated employees and should disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

With respect to Consultants, the Director may determine in writing that a particular consultant, although a “designated person”, is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Director’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

## **Disclosure Categories**

### **Category 1**

All interests in real property in the State of California, as well as investments, business positions and sources of income, including gifts, loans and travel payments.

### **Category 2**

All investments, business positions, and sources of income, including gifts, loans and travel payments.

### **Category 3**

All interests in real property in the State of California.

### **Category 4**

All investments, business positions, and income, including gifts, loans and travel payments, from sources that provide leased facilities, goods, equipment, vehicles, machinery or services, including training or consulting services, or the type utilized by the Authority.

### **Category 5**

All investments, business positions, and income, including gifts, loans and travel payments, from sources that provide leased facilities, goods, equipment, vehicles, machinery or services, including training or consulting services, or the type used by the Authority's Information Technology Department.

### **Category 6**

All investments, business positions, and income, including gifts, loans and travel payments, or income from a nonprofit organization, if the source is of the type to receive grants or other monies from or through the Authority.



## **§18730. Provisions of Conflict of Interest Codes.**

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) [Section 1.](#) Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) [Section 2.](#) Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) [Section 3.](#) Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) [Section 4](#). Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

(5) [Section 5](#). Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) [Section 6](#). Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) [Section 7](#). Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) [Section 8](#). Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$340.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$340 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
  - a. The date the loan was made.
  - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
  - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) [Section 9](#). Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or



has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$340 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

#### (9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

#### (9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of [section 9](#), no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the

public regarding the rendering of goods or services or 18705.2(c) totaling in value one thousand dollars (\$1,000) or more.

(10) [Section 10](#). Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

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<sup>1</sup>Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

<sup>2</sup> See Government Code section 81010 and 2 [Cal. Code of Regs. section 18115](#) for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup>A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<sup>6</sup>Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.



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**Agenda Item: 4**

**Meeting Date: December 11, 2003**

## **MEETING SUMMARY**

**August 14, 2003**

**Note:** Copies of the motions and resolutions mentioned in this summary can be found on the California Bay-Delta Authority website at: [www.calwater.ca.gov](http://www.calwater.ca.gov). Questions should be directed to Heidi Rooks, California Bay-Delta Authority, 650 Capitol Mall, 5th Floor, Sacramento, California, 95814; or call (916) 445-0533; or email [hrooks@calwater.ca.gov](mailto:hrooks@calwater.ca.gov).

### **1. CALL TO ORDER**

The meeting was called to order by the Acting Chair, Mary Nichols, Secretary of the California Resources Agency, at 9:08 a.m., Thursday, August 14, 2003, in Room 4202 of the State Capitol in Sacramento, California. Secretary Nichols, without objection, then appointed Gary Hunt, representative of the Bay-Delta Public Advisory Committee, as temporary chair to preside over the meeting.

### **2. SWEARING-IN**

Secretary Nichols administered the Oath of Office to the Public Members, Bay-Delta Public Advisory Committee Representative Member, and the State Agency Members. The Federal Members are not yet authorized to participate as voting members.

### **3. ROLL CALL/ESTABLISHMENT OF QUORUM**

A quorum was established with the following members present:

**Public** – Jim Costa, Paula Daniels, Marc Holmes, Patrick Johnston, Susan Kennedy, Alfred Montna, and Daniel Wheeler

**Bay-Delta Public Advisory Committee Representative** – Gary Hunt

**State** – Mary Nichols, Secretary of the California Resources Agency; Winston Hickox, Secretary of the Environmental Protection Agency; William Lyons, Jr., Secretary of the Department of Food and Agriculture;

Robert C. Hight, Director of Department of Fish and Game; Michael Spear, Interim Director of Department of Water Resources; and Kevin Riley, Department of Health Services

**Federal** – Jason Peltier, Special Assistant to the Assistant Secretary for Water and Science, Department of the Interior; Steve Thompson, Manager, California/Nevada Operations Office, U.S. Fish and Wildlife Service; Kirk Rodgers, Regional Director, Mid-Pacific Region, Bureau of Reclamation; Rodney McInnis, Acting Regional Administrator, Southwest Region, National Marine Fisheries Service; Mark Charlton, Sacramento District, Deputy District Engineer for Project Management, U.S. Army Corps of Engineers; and Thomas Hagler, Assistant Regional Counsel, U.S. Environmental Protection Agency

**Ex-Officio** - Michael Machado, chair of the Senate Agriculture and Water Resources Committee; Charles Poochigian, vice-chair of the Senate Agriculture and Water Resources Committee; and Joseph Canciamilla, chair of the Assembly Water, Parks and Wildlife Committee

**BOARD MEMBERS ABSENT**

**Ex-Officio** – Rick Keene, vice-chair of the Assembly Water, Parks and Wildlife Committee

**4. OPENING REMARKS**

Members Hunt, Costa, Canciamilla, Poochigian, and Machado made opening remarks.

**5. DIRECTOR'S REPORT**

Director Patrick Wright introduced key staff members.

**6. AUTHORITY FUNCTION AND OPERATIONS**

Chief Deputy Director Wendy Halverson Martin reviewed the California Bay-Delta Program Structure, proposed meeting schedules for the Authority and the Bay-Delta Public Advisory Committee, as well as program-wide priorities and upcoming major milestones.

**7. DELEGATION OF AUTHORITY TO THE DIRECTOR**

Chief Counsel Chris Stevens presented a staff report. Following discussion among the members, the Authority adopted the following on a 14-0 vote:

**Resolution 03-08-01, Delegating Authority to the Director to carry out administrative activities, to appoint and hire staff, to execute certain contracts and agreements subject to a spending cap of \$500,000 without specific Authority approval, and to perform other activities as provided, and to permit the Director to delegate some functions to other staff members when appropriate.**

**8. LEAD SCIENTIST'S REPORT**

Secretary Nichols and Dr. Samuel Luoma presented a staff report. Following discussion among the members, the Authority adopted the following on a 13-0 vote:

**Resolution 03-08-02, Appointing Dr. Samuel Luoma as Lead Scientist for the California Bay-Delta Program.**

Dr. Luoma presented a report about the role, responsibilities, and nominees to the Independent Science Board. Following discussion among the members and adoption of an amendment to state that the members of the Independent Science Board serve at the pleasure of the Authority, the Authority adopted the following on a 13-0 vote:

**Resolution 03-08-03, Establishing an Independent Science Board and Confirming 15 Nominees as Members.**

Dr. Luoma presented a report about the role, responsibilities, history, and membership of the Bay-Delta Science Consortium. Following discussion among the members, the Authority adopted the following on a 14-0 vote:

**Resolution 03-08-04, Authorizing the Director, or Designee, to Execute, on Behalf of the Authority, a Memorandum of Understanding with Regards to the Bay-Delta Science Consortium.**

**9. ECOSYSTEM RESTORATION PROGRAM GRANTS**

Deputy Director Dan Castleberry presented a report about the history, review and selection process, and implementation of nine grants in an ongoing series of grants related to the Ecosystem Restoration Program. Following discussion among the members, the Authority adopted the following on a 13-0 vote (Member Lyons excused himself from the meeting during discussion of this item and abstained from voting):

**Resolution 03-08-05, Approving Ecosystem Restoration Grants and Authorizing the Director, or Designee, to Process the Approved Grants.**

#### **10. CONSENT CALENDAR**

Director Wright, Chief Deputy Director Halverson Martin, and Chief Counsel Stevens presented a staff report. After Resolutions 03-08-27 (Implementation Memorandum of Understanding), 03-08-38 through 03-08-49 (work assignments under a Jones & Stokes contract), and 03-08-50 through 03-08-55 (work assignments under a CH2M Hill contract) were pulled from the Consent Calendar for individual discussion, the Authority adopted the following on a 12-0 vote:

**Resolutions 03-08-06 through 03-08-26, and 03-08-28 through 03-08-37. These items include assignments of interagency agreements and contracts including the master “capacity-type” architectural and engineering contracts with Jones & Stokes Associates and CH2M Hill, Inc., and administrative matters related to the establishment of the California Bay-Delta Authority.**

The Authority then took up the items listed above that had been pulled from the Consent Calendar. Following questions of staff and discussion among the members, and with the understanding that any task order or work assignment under the Jones & Stokes contract for more than \$500,000 would be submitted to the Authority for approval, the Authority adopted the following on a 12-0 vote:

**Resolutions 03-08-38 through 03-08-49, authorizing the Director, or Designee, to execute various work assignments under the Jones & Stokes contract for planning, environmental analysis, scientific, and technical services.**

Following questions of staff and discussion among the members, and with the understanding that any task order or work assignment under the CH2M Hill contract for more than \$500,000 would be submitted to the Authority for approval, the Authority adopted the following on a 12-0 vote:

**Resolutions 03-08-50 through 03-08-55, authorizing the Director, or Designee, to execute various work assignments under the CH2M Hill contract for engineering, scientific, and technical services.**

Following questions of staff and discussion among the members, the Authority adopted the following on a 12-0 vote:

**Resolution 03-08-27, authorizing the Director, or Designee, to sign the amended and restated CALFED Bay-Delta Program Implementation Memorandum of Understanding.**

**11. Lunch, Roll-Call**

The Authority recessed for lunch at 12:10 p.m. and reconvened at 1:04 p.m. A quorum was reestablished.

**12. Multi-Year Program Plans**

Representatives of implementing agencies, California Bay-Delta Program managers, and representatives from the relevant subcommittees of the Bay-Delta Public Advisory Committee presented multi-year program and long-term expenditure plans for individual Program Elements within the broad categories of Water Quality, Levees, Ecosystem Restoration, Water Supply and Watershed Management, Environmental Justice, and Tribal Coordination.

Following discussion among the members, and with the understanding that specific actions and timelines contemplated in the plans could change depending on circumstances affecting the resources and capabilities of individual implementing agencies, the Authority adopted the following on a 13-0 vote:

**Resolution 03-08-56, consideration of a resolution approving the implementing agencies' multi-year program plans and expenditure plans as meeting the criteria that they are (1) consistent with the California Bay-Delta Program, and (2) represent balanced achievement of the Program goals and objectives.**

Following discussion among the members, the Authority adopted a motion on a 12-0 vote to clarify that the Director shall be required to bring to the Authority, for its prior approval, any proposed expenditure or encumbrance of Authority funds by contract, grant, interagency agreement, task order, work assignment, or otherwise, in excess of \$500,000.

**13. PUBLIC FORUM**

Michael Warburton expressed his views about the obligation of the State and the Authority to protect the Public Trust.

**14. ADJOURNMENT**

The Chair adjourned the meeting at 4:29 p.m.





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**Agenda Item: 4**

**Meeting Date: December 11, 2003**

**Meeting Summary  
October 9, 2003**

**Note:** Copies of the motions and resolutions mentioned in this summary can be found on the California Bay-Delta Authority website at: [www.calwater.ca.gov](http://www.calwater.ca.gov). Questions should be directed to Heidi Rooks, California Bay-Delta Authority, 650 Capitol Mall, 5th Floor, Sacramento, California, 95814; or call (916) 445-0533; or email [hrooks@calwater.ca.gov](mailto:hrooks@calwater.ca.gov).

**1. CALL TO ORDER/INTRODUCTORY REMARKS**

The meeting was called to order by the Acting Chair, Mary Nichols, Secretary of the California Resources Agency, at 9:15 a.m., Thursday, October 9, 2003, in Room 4202 of the State Capitol in Sacramento, California.

**2. ROLL CALL/ESTABLISH QUORUM**

Roll call was taken, however a quorum was not established at that time. The following members were present for the meeting:

**Public** – Alfred Montna, Patrick Johnston, Jim Costa, Paula Daniels, and Daniel Wheeler

**Bay-Delta Public Advisory Committee Representative (Acting)** – Denny Bungarz

**State** – Mary Nichols, Secretary of the California Resources Agency; Michael Spear, Interim Director of Water Resources; Steve Shaffer, Designee for William Lyons, Jr., Secretary of the Department of Food & Agriculture; Diana Jacobs, Designee for Robert C. Hight, Director of Fish & Game; Beth Jines, Designee for Winston Hickox, Secretary of the California Environmental Protection Agency; and Dr. Kevin Riley, Designee for Diana Bonta, Director of Health Services

**Federal** – Jason Peltier, Special Assistant to the Assistant Secretary for Water and Science, Department of the Interior; Wayne White, Field Supervisor, U.S. Fish & Wildlife Service; Kirk Rodgers, Regional Director, Mid-Pacific Region, Bureau of Reclamation; Rodney McInnis, Acting Regional Administrator, Southwest Region, National Marine Fisheries Service; Mark Charlton, Sacramento District Deputy District Engineer for Project Management, U.S. Army Corps of Engineers; and Thomas Hagler, Assistant Regional Counsel, U.S. Environmental Protection Agency

**Ex-Officio** – The Hon. Michael Machado, chair of the Senate Agriculture & Water Resources Committee and then Dennis O'Connor for the Hon. Michael Machado; Moira Topp for the Hon. Charles Poochigian, vice-chair of the Senate Agriculture and Water Resources Committee; and Kathy Mannion for the Hon. Joseph Canciamilla, chair of the Assembly Water, Parks and Wildlife Committee

**BOARD MEMBERS ABSENT**

**Public** – Susan Kennedy and Marc Holmes

**Ex-Officio** – The Hon. Rick Keene, vice-chair of the Assembly Water, Parks and Wildlife Committee

**3. APPROVE MEETING SUMMARY FROM AUGUST 14, 2003**

Prior to the meeting, the Army Corps of Engineers requested that a technical correction be made to the title of their representative, Mark Charlton, in the August 14, 2003, Meeting Summary. The Meeting Summary was changed accordingly.

In the absence of a quorum, the form and substance of the Meeting Summary was discussed. A general request was made to include in each Meeting Summary salient comments made during the meeting.

**4. DIRECTOR'S REPORT**

Director Patrick Wright previewed the topics to be discussed during the meeting and briefly referred to the CBDA monthly electronic newsletter for a short summary of current events.

**5. DRINKING WATER POLICY FRAMEWORK RECOMMENDATION**

**Resolution 03-10-01**

Greg Gartrell, Co-Chair of the Bay-Delta Public Advisory Committee Drinking Water Subcommittee and Assistant General Manager for Planning and CALFED Studies with Contra Costa Water District gave a presentation on the BDPAC Drinking Water Policy Framework, which was developed by his subcommittee and recommended by BDPAC for adoption by the Authority.

Several members voiced concerns regarding the proposed resolution, which would adopt the framework and recommend to Bay-Delta Program agencies that they do the same and work with the Authority to develop a policy based on the framework.

Among the issues raised: 1) the framework did not address the conflict between municipal and industrial water quality standards; 2) the resolution should link any

increase in water exports to concurrent improvements in water quality; 3) the resolution should focus on ensuring the bundling of projects to create improvements in water quality along with ecosystem and water supply projects; 4) because of the potential negative impacts to Sacramento Valley agricultural stakeholders, they should be included in this process to a greater extent; and 5) the framework language was too general.

In the absence of a quorum, further discussion and action on this item were deferred until later in the meeting.

## **6. INFORMATIONAL BRIEFING ON INTEGRATION OF CALIFORNIA WATER PLANNING**

Presentations were made on the California Water Plan Update, Water 2025 and the Authority's efforts to develop Regional Profiles.

During the presentations, two additional State members arrived. A roll call was taken and a quorum was established.

After the California Water Plan Update, members discussed the issue of credit and other incentives for agricultural water conservation, and DWR and the Bureau of Reclamation were requested to meet with water users and then provide information at an upcoming Authority meeting about agricultural water conservation and the ability to transfer conserved water through the Delta.

After the Regional Profiles presentation, members voiced support for regional efforts, noting that they are relevant in decisions about bond-funding measures, and that there is a need to coordinate and integrate the work of DWR's Water Plan Update and that of the Authority and other Bay-Delta Program agencies. As an example of a regional success, members asked to see a presentation about Butte Creek restoration on a future agenda.

## **7. PROGRESS AND BALANCE IN THE CALIFORNIA BAY-DELTA PROGRAM**

Due to member time constraints, Year 3 Accomplishments and CBDA staffing and Budget were presented in summary manner. Assistant Director Kate Hansel then discussed Near-term, Stage 1 Funding and the Long-term Finance Plan.

Responding to a question about how the funding for the Environmental Water Account (EWA) was allocated, Ms. Hansel said that because there was no technical method to evaluate relative benefits, the costs were allocated equally between the Ecosystem Restoration Program and Water Supply Reliability.

Several comments were made about how the funding was categorized and represented; most indicated that it was preferable to show many different breakdowns of the funding sources and how the money was spent.

Concerns were expressed about the availability and certainty of future funding and the possibility of user fees. Among the concerns: stakeholders should not be hit twice with both the imposition of user fees as well as the requirement to supply water for various program needs.

Another concern was with the timing of the Finance Plan, in light of the fact that the framework will only be reviewed by December and yet there is an immediate need to have a user fee plan in place in January and a long-term funding plan for EWA very soon. A suggestion was made that maybe a smaller, concurrent effort could be started for EWA and that perhaps a legislative funding solution would be needed.

## **8. FUTURE PRIORITIES AND PLANNING**

### **Resolution 03-10-02**

Director Wright presented the topic.

During discussion, it was noted that for agenda item 8, BDPAC's recommendation was not prominent in the packet; some members questioned whether total funding was the right measure of balance.

Director Wright indicated that there are many ways to evaluate balance, and that staff might look at pre-ROD targets or a variety of different combinations. The issue was raised that, in regard to the evaluation of the ROD targets, there was a great deal of legal review of the ROD relative to the EIR/S and ESA. A team of legal staff worked through these issues at the time, and that that might be necessary again if the ROD targets were reevaluated.

Members requested a workshop on long-term goals in the next few months to include: ROD targets, Finance Options and Regional Profiles.

Following further discussion, the Authority adopted the following on a 12-0 vote:

**Resolution 03-10-02, Directing Authority staff to work with State, Federal and Local Agencies to (1) Develop Regional Water Profiles in Coordination with DWR's California Water Plan Update, (2) Develop a Long-term Finance Plan, and (3) Reevaluate the Targets and Budgets Necessary to meet Program Goals Specified in the Record of Decision.**

**DRINKING WATER POLICY FRAMEWORK RECOMMENDATION (AGENDA ITEM 5  
– CONTINUED)**

With the presence of a quorum, further discussion on the item ensued, with the recommendation from the Acting Chair that staff address the specific issues raised with the concerned stakeholders and develop a policy proposal on drinking water quality that could be brought back to the Authority at its December meeting.

Director Wright suggested that a policy proposal would likely take more time to develop, and recommended, alternatively, that staff be directed to provide an update at a later meeting, on discussions with stakeholders and a schedule for the development of a policy.

The Authority adopted the Director's recommendation on a 12-0 vote, without taking action on the proposed resolution.

**9. PUBLIC FORUM**

No comments were made.

**10. ADJOURNMENT**

The Chair adjourned the meeting at 12:11 p.m.

**Date of Revision: December 16, 2003**

**Agenda Item: 5**

**Date of Authority Meeting: December 11, 2003**

**ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE**

**CONSIDERATION OF A RESOLUTION RECOMMENDING THAT THE AGENCIES PROCEED TO DEVELOP A COORDINATED SET OF ACTIVITIES TO IMPROVE WATER SUPPLY RELIABILITY, ECOSYSTEM HEALTH, AND WATER QUALITY IN THE DELTA, AND DIRECTING AUTHORITY STAFF TO ASSIST IN THIS EFFORT**

**Agenda Item: 5**

**Meeting Date: December 11, 2003**

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**Summary:** This resolution would recommend that the agencies involved in Delta activities proceed with developing a coordinated set of activities to improve water supply reliability, ecosystem health, and water quality in the Delta. The resolution also directs California Bay-Delta Authority staff to assist in this effort, as appropriate.

**Recommended Action by BDPAC:** Staff recommends that the BDPAC recommend to the Authority that it adopt Resolution No. 03-12-02. **(RESOLUTION WAS PULLED FROM THE AGENDA.)**

**Recommended Action by the Authority:** Staff recommends that the California Bay-Delta Authority adopt the attached Resolution No. 03-12-02 because development of a coordinated set of activities in the Delta will support balanced achievement of the goals and objectives of the California Bay-Delta Program. **(RESOLUTION WAS PULLED FROM THE AGENDA.)**

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**Background**

The CALFED Record of Decision (ROD) calls for a balanced approach to achieving key goals of water supply reliability, ecosystem restoration, water quality improvement, and levee system integrity.

State and Federal agencies are proposing to undertake a series of activities over the next few years to carry out key ROD commitments. These include: South Delta Improvements Program (SDIP), a Central Valley Project (CVP)-State Water Project (SWP) Intertie, and a decision whether to continue the Environmental Water Account (EWA). During 2003, BDPAC and the agencies recognized that many of their agency

**Date of Revision: December 16, 2003**

**Agenda Item: 5**

**Date of Authority Meeting: December 11, 2003**

activities were inter-related and that decisions on key components could not be made in isolation. For example, the SDIP proposes to increase export pumping of the SWP. Increased pumping could reduce the effectiveness of the EWA to manage for recovery of at-risk fish species, if the EWA assets were not improved. Improving the EWA, however, would require agreement that the EWA would continue beyond its four-year experimental period.

The agencies and BDPAC also recognized that while each agency had its own priorities based on jurisdiction and mandates, it was important to coordinate assumptions and schedules and move forward with a set of activities that was consistent with the Bay-Delta Program's (Program) principle of balance. The agencies have been working since 2002 to coordinate the schedules and assumptions for these activities. Each agency recognizes that its activity is unlikely to be supported by stakeholders and funded by the Legislature or Congress, unless all the activities together will improve the Bay-Delta's resources in a balanced manner, which is the fundamental notion of the Program. Coordination of these key activities will help avoid the sort of gridlock that the Program was created to address.

In addition, BDPAC and all stakeholders have emphasized the importance of integrating the work of the Science Program into agency decision-making.

### **Activities Under Consideration**

Key activities are being considered in four areas: water supply reliability, water quality, environmental protection, and science. The level of detail currently available is variable at this time; this is mainly a reflection of differing project timelines and will change over time. Attachment 1 to this staff report (to be provided separately) lists activities currently under consideration. This list is subject to change.

### **Public Review and Permits**

The elements under consideration will undergo an extensive public review process, through a variety of means, including CEQA and NEPA reviews when required, workshops, review by the Bay-Delta Public Advisory Committee and its subcommittees, meetings with stakeholders, and presentations to the Authority. Some of the elements under consideration will need to secure regulatory permits under various State and Federal statutes. The agencies expect to issue a coordinated set of final decisions, together with a financing plan, in the summer of 2004.

**Date of Revision: December 16, 2003**

**Agenda Item: 5**

**Date of Authority Meeting: December 11, 2003**

**Fiscal Information**

Not applicable. Each activity will have its own funding source. No project is approved by this resolution.

**List of Attachments**

Resolution No. 03-12-02 **(RESOLUTION WAS PULLED FROM THE AGENDA.)**  
Attachment 1 – Activities Under Consideration (To be mailed under separate cover)

**Contact**

Ron Ott  
Delta Regional Coordinator

Phone: (916) 445-2168



**Date of Revision: December 16, 2003**

**Agenda Item: 5**

**Date of Authority Meeting: December 11, 2003**

**ATTACHMENT 1**

**SUMMARY OF STATUS OF  
ACTIVITIES UNDER CONSIDERATION**

**(ATTACHMENT WAS PULLED FROM THE AGENDA.)**

**Agenda Item: 5**  
**Meeting Date: December 11, 2003**

**Date of Revision: December 16, 2003**  
**Agenda Item: 5**  
**Date of Authority Meeting: December 11, 2003**

**CALIFORNIA BAY-DELTA AUTHORITY**  
**RESOLUTION NO. 03-12-02**

**(RESOLUTION WAS PULLED FROM THE AGENDA.)**



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## **ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE**

### **INFORMATIONAL REPORT ON SOUTHERN CALIFORNIA REGIONAL HIGHLIGHTS**

**Agenda Item: 6**

**Meeting Date: December 11, 2003**

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**Summary:** Representatives from the Southern California Water Dialogue will provide a progress report on the collaborative development (in partnership with the Department of Water Resources and Authority staff) of a Southern California regional profile and its usefulness to the Program and implementing agencies. The progress report will focus on a key source of information being developed by the Water Dialogue – the “Snapshot Questionnaire.” The questionnaire seeks to identify today’s primary sources of water and sources being developed to reliably meet the water needs of tomorrow. Water agencies from every southern California county have been asked to participate to ensure that the data is representative of all areas in this fast growing region.

**Recommended Action by BDPAC:** This is an informational report only. No action will be taken.

**Recommended Action by the Authority:** This is an informational report only. No action will be taken.

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### **Background**

The Southern California Water Dialogue (Water Dialogue) and Bay-Delta Program (Program) created a partnership in 2002 to work together to address local water issues and help accomplish goals established in the Programmatic CALFED Record of Decision and related plan. The Water Dialogue serves as a clearinghouse and advocate for projects, activities, and processes that improve the quality and reliability of Southern California’s water supply and benefit the Program. Water Dialogue membership includes urban and agricultural water districts, environmental, environmental justice and watershed organizations, and local governments from the eight counties that make up the Program’s Southern California Region: Santa Barbara, Ventura, Los Angeles, Orange, San Diego, Imperial, Riverside, and San Bernardino (Attachment 1).

As a result of deliberations by the Bay-Delta Public Advisory Committee (BDPAC) on September 11, 2003, and Bay-Delta Authority (Authority) on October 9, 2003, the Authority and Department of Water Resources (DWR) staff are collaborating with

Agenda Item: 6

Meeting Date: December 11, 2003

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regional interests to develop regional profiles (refer to Agenda Item 8). For Southern California, the Water Dialogue, Authority, and DWR are coordinating efforts to develop a regional profile that presents current and future water conditions, regional drinking water strategies, and expected future investments. The Water Dialogue, to supplement information from DWR, is compiling results from the "Snapshot Questionnaire" that profiles water districts within the region. Attachment 2 is the Snapshot Questionnaire sent to the 64 water districts. Questionnaire responses will identify how much water supply the region uses today, how much it plans to use tomorrow (2020), future sources of supply, and investments planned to develop this diverse future supply. At the December 11, 2003, joint meeting, representatives from the Water Dialogue will report on the snapshot and give the Authority and Committee a first look at the usefulness of regional profiles. In early 2004, a water quality profile will supplement the water supply/demand snapshot profile.

### **Fiscal Information**

Not applicable.

### **List of Attachments**

Attachment 1 – Southern California Regional Map

Attachment 2 – Southern California Water Dialogue Regional "Snapshot" Profile Questionnaire

### **Contact**

Kathy Caldwell  
Southern California Regional Coordinator

Phone: (310) 829-1441

Attachment 1

# Southern California Regional Map



## Southern California Regional “Snapshot” Profile

### 1. Provide the following information regarding your agency

- a. Agency name
- b. City (where headquarters is located)
- c. County (where headquarters is located)
- d. Location
  - a-1) Please email an Arcview shape file (agencyname.shp) of your agency’s service territory boundary to [kcaldwell@mcguireinc.com](mailto:kcaldwell@mcguireinc.com).
  - b-1) Or include the coordinates of your headquarters
- e. Zip code

### 2. Provide the following contact information

- a. First and last name
- b. Title
- c. Address
- d. City
- e. Zip code
- f. Phone
- g. Fax
- h. Email
- i. Agency website address

### 3. What was the population of your service area in year 2000?

- a. Indicate data source, if known

### 4. What will be the estimated population of your service area in year 2020?

- a. Indicate data source, if known

### 5. What was your agency’s annual demand in acre-feet in FY 2000 (an average rainfall year)?

- a. Agriculture
- b. Municipal and Industrial (combined)
- c. Groundwater recharge

### 6. What was your agency’s annual demand in acre-feet in FY 2001 (a dry year)?

- a. Agriculture
- b. Municipal and Industrial (combined)
- c. Groundwater recharge

Southern California Regional “Snapshot” Profile

- 7. What was your agency’s supply (acre-feet) in FY 2000 (an average rainfall year) from each of the following sources?**
- a. Imported water (total supply in acre-feet)
    - a-1) MWD
    - a-2) Other (e.g. SWP, water exchange, etc.)
  - b. Local sources (total supply in acre-feet)
    - b-1) Local aqueduct and water transfers
    - b-2) Groundwater (overall production in acre-feet)
      - b-2-a) Water treated for contaminants (such as nitrates, TCE, arsenic)
      - b-2-b) Brackish water desalination
    - b-3) Recycled water
    - b-4) Conservation
      - b-4-a) Agriculture
      - b-4-b) Urban
    - b-5) Ocean desalination
    - b-6) Captured stormwater runoff (stored in groundwater basins)
    - b-7) Water captured by surface storage
- 8. What was your agency’s supply (acre-feet) in FY 2001 (a dry year) from each of the following sources?**
- a. Imported water (total supply in acre-feet)
    - a-1) MWD
    - a-2) Other (e.g. SWP, water exchange, etc.)
  - b. Local sources (total supply in acre-feet)
    - b-1) Local aqueduct and water transfers
    - b-2) Groundwater (overall production in acre-feet)
      - b-2-a) Water treated for contaminants (such as nitrates, TCE, arsenic)
      - b-2-b) Brackish water desalination
    - b-3) Recycled water
    - b-4) Conservation
      - b-4-a) Agriculture
      - b-4-b) Urban
    - b-5) Ocean desalination
    - b-6) Captured stormwater runoff (stored in groundwater basins)
    - b-7) Water captured by surface storage
- 9. Estimate your agency’s demand in 2020 for an average rainfall year.**
- a. Agriculture

## Southern California Regional “Snapshot” Profile

- b. Municipal and Industrial (combined)
- c. Groundwater recharge

### 10. Estimate your agency’s demand in 2020 for a dry year.

- a. Agriculture
- b. Municipal and Industrial (combined)
- c. Groundwater recharge

### 11. What is your agency’s estimated supply (acre-feet) in FY 2020 from each of the following sources during an average rainfall year?

- a. Imported water (total supply in acre-feet)
  - a-1) MWD
  - a-2) Other (e.g. SWP, water exchange, etc.)
- b. Local sources (total supply in acre-feet)
  - b-1) Local aqueduct and water transfers
  - b-2) Groundwater (overall production in acre-feet)
    - b-2-a) Water treated for contaminants (such as nitrates, TCE, arsenic)
    - b-2-b) Brackish water desalination
  - b-3) Recycled water
  - b-4) Conservation
    - b-4-a) Agriculture
    - b-4-b) Urban
  - b-5) Ocean desalination
  - b-6) Captured stormwater runoff (stored in groundwater basins)
  - b-7) Water captured by surface storage

### 12. What is your agency’s estimated supply (acre-feet) in FY 2020 from each of the following sources during a dry year?

- a. Imported water (total supply in acre-feet)
  - a-1) MWD
  - a-2) Other (e.g. SWP, water exchange, etc.)
- b. Local sources (total supply in acre-feet)
  - b-1) Local aqueduct and water transfers
  - b-2) Groundwater (overall production in acre-feet)
    - b-2-a) Water treated for contaminants (such as nitrates, TCE, arsenic)
    - b-2-b) Brackish water desalination
  - b-3) Recycled water
  - b-4) Conservation
    - b-4-a) Agriculture
    - b-4-b) Urban



*Southern California Water Dialogue*

**Southern California Regional “Snapshot” Profile**

- b-5) Ocean desalination
- b-6) Captured stormwater runoff (stored in groundwater basins)
- b-7) Water captured by surface storage

**13. What was your agency’s total capital investment (in actual dollars) in water supply projects from FY 1990 through FY 2002? \_\_\_\_\_**

**Provide estimates on the amount of money that came from each of the following sources:**

Local (includes regional agencies) \_\_\_\_\_

State \_\_\_\_\_

Federal \_\_\_\_\_

**14. What is your agency’s total anticipated capital investment (an estimate is fine) in water supply projects (in present day dollars) from FY 2003 to FY 2020? \_\_\_\_\_**

**Of this total, estimate the investment for each of the following categories.**

- a. Imported water (total supply in acre-feet)
  - a-1) MWD
  - a-2) Other (e.g. SWP, water exchange, etc.)
- b. Local sources (total supply in acre-feet)
  - b-1) Local aqueduct and water transfers
  - b-2) Groundwater (overall production in acre-feet)
    - b-2-a) Water treated for contaminants (such as nitrates, TCE, arsenic)
    - b-2-b) Brackish water desalination
  - b-3) Recycled water
  - b-4) Conservation
    - b-4-a) Agriculture
    - b-4-b) Urban
  - b-5) Ocean desalination
  - b-6) Captured stormwater runoff (stored in groundwater basins)
  - b-7) Water captured by surface storage

*Southern California Water Dialogue*

Southern California Regional "Snapshot" Profile

**15. For the total anticipated capital investment through FY 2020, how much funding (in dollars) will come from local sources (includes regional sources), state grants, and federal grants??**

- a. Local funding \_\_\_\_\_
- b. State grants \_\_\_\_\_
- c. Federal grants \_\_\_\_\_

**16. What are the greatest obstacles potentially limiting preservation or development of new supply? Check all that apply.**

Water rights issues \_\_\_\_  
Water quality regulations \_\_\_\_  
Environmental impacts \_\_\_\_  
Groundwater contamination \_\_\_\_  
State or federal grant funding support \_\_\_\_  
Local matching funds for grants \_\_\_\_  
Infrastructure limitations \_\_\_\_  
Stakeholder support \_\_\_\_  
Imported source water quality  
Other \_\_\_\_\_

**17. What actions are being taken by your agency to support the Bay-Delta Program (CALFED) objectives (water supply reliability, ecosystem restoration and watersheds, and water quality)? Check all that apply.**

**Water Supply Reliability**

Groundwater storage and conjunctive use projects  
Groundwater treatment  
Ocean water desalination  
Water transfer  
Water exchange  
Infrastructure improvements  
Stormwater capture and groundwater infiltration  
Stormwater capture  
Water recycling  
Advanced water purification of recycled water for groundwater recharge and seawater barriers

*Southern California Water Dialogue*

Southern California Regional "Snapshot" Profile

Other: \_\_\_\_\_

**Water Quality**

Brackish water desalination  
Contaminated water treatment  
Control of non-point source runoff  
Stormwater treatment  
Water quality exchange program  
Seawater barrier  
Application of new treatment technology  
Other: \_\_\_\_\_

**Watershed Management**

Wetlands restoration  
Constructed wetlands  
Stormwater capture  
Watershed assessment/management planning  
Protection of endangered species and habitat  
Control of invasive species  
Flow control  
Restoration of ecosystems  
Restoration of channelized stream bed to natural state  
Other: \_\_\_\_\_



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**Date of Revision: December 16, 2003**

**Agenda Item: 7**

**Date of Authority Meeting: December 11, 2003**

**ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE**

**CONSIDERATION OF A RESOLUTION ADOPTING THE 2003 STATEMENT OF PROGRESS FOR INCLUSION IN THE ANNUAL REPORT AND TRANSMITTING THE ANNUAL REPORT TO THE GOVERNOR, SECRETARY OF THE INTERIOR, THE LEGISLATURE AND THE CONGRESS OF THE UNITED STATES, AS WELL AS OTHER INTERESTED PARTIES**

**Agenda Item: 7**

**Meeting Date: December 11, 2003**

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**Summary:** This resolution would adopt the 2003 Statement of Progress for the California Bay-Delta Program and transmit the 2003 annual report of the California Bay-Delta Authority.

**Recommended Action by BDPAC:** Staff recommends that BDPAC recommend that the Authority adopt the attached Resolution No. 03-12-03.

**Recommended Action by the Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-03 consistent with statutory reporting requirements of the California Bay-Delta Authority Act.

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**Background**

The California Bay-Delta Authority Act requires that the Authority “on or before December 15 of each year, submit a report to the Governor, the Secretary of the Interior, the Legislature, and the Congress of the United States that describes the status of implementation of all program elements for the prior fiscal year.”

The draft annual report details the status of implementation for all elements of the California Bay-Delta Program and sets the stage for projects in the coming year. All of the information in the report has been presented to the Authority in varying forms at both the August and October meetings.

**Date of Revision: December 16, 2003**

**Agenda Item: 7**

**Date of Authority Meeting: December 11, 2003**

Included in the report is the annual Statement of Progress (Attachment 1), which summarizes the work of the Authority and the implementing agencies during the past fiscal year and the anticipated activities for the coming year. The Authority is required to “review progress in implementing the Program” (Section 79421 (e) of the Bay-Delta Authority Act) and the 2003 Draft Statement includes the discussion that occurred at the Authority’s October 9, 2003, meeting, as well as a review by the State and Federal agencies that comprise the Bay-Delta Program.

The attached resolution would adopt the 2003 Statement of Progress and endorse the annual report.

**Fiscal Information**

Not applicable.

**List of Attachments**

Resolution No. 03-12-03

Attachment 1 – Draft Statement of Progress

Attachment 2 – Draft 2003 Annual Report (to be mailed separately)

**Contact**

Keith Coolidge  
Deputy Director, Communications

Phone: (916) 445-0092

**Date of Revision: December 16, 2003**

**Agenda Item: 7**

**Date of Authority Meeting: December 11, 2003**

**Agenda Item: 7**

**Meeting Date: December 11, 2003**

**CALIFORNIA BAY-DELTA AUTHORITY  
RESOLUTION NO. 03-12-03**

**ADOPTING THE 2003 STATEMENT OF PROGRESS FOR INCLUSION IN THE ANNUAL REPORT AND TRANSMITTING THE ANNUAL REPORT TO THE GOVERNOR, SECRETARY OF THE INTERIOR, THE LEGISLATURE, AND THE CONGRESS OF THE UNITED STATES, AS WELL AS OTHER INTERESTED PARTIES**

**WHEREAS**, the California Bay-Delta Authority is required annually to review progress in implementing the California Bay-Delta Program; and

**WHEREAS**, such review occurred at the Authority's October 9, 2003, meeting; and

**WHEREAS**, the California Bay-Delta Authority is required on or before December 15 of each year to submit a report to the Governor, the Secretary of the Interior, the Legislature, and the Congress of the United States that describes the status of implementation of all program elements for the prior fiscal year; and

**WHEREAS**, progress has been made during the past fiscal year across the different program elements, particularly in the areas of groundwater storage, water transfers, habitat protections and restoration, levee maintenance and improvement, and the integration of science in the decision-making process, as well as in the implementation of various program actions; and

**WHEREAS**, unreliable funding from the State and the lack of full federal authorization and funding have contributed to program imbalances which will be the focus of the Authority's attention in 2004; and

**WHEREAS**, said Annual Report includes a Statement of Progress that summarizes the work of the Authority and the implementing agencies during the past fiscal year and the anticipated activities for the coming year;

**NOW, THEREFORE, BE IT RESOLVED** that the California Bay-Delta Authority adopts the 2003 Statement of Progress for inclusion in the Annual Report and transmits the report to the Governor, Secretary of the Interior, the Legislature, and the Congress of the United States, as well as other interested parties.

**Date of Revision: December 16, 2003**

**Agenda Item: 7**

**Date of Authority Meeting: December 11, 2003**

**CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Authority held on December 11, 2003.

**Dated:**

**Heidi Rooks**

**Assistant to the California Bay-Delta Authority**

**Date of Revision: December 16, 2003**

**Agenda Item: 7**

**Date of Authority Meeting: December 11, 2003**

**Agenda Item: 7**

**Attachment 1**

**DRAFT**

**2003 Statement of Progress**

The Record of Decision (ROD) and the California Bay-Delta Authority Act require the California Bay-Delta Authority to report on the status of implementation of all elements of the California Bay-Delta Program each year. The following is a brief description of the status of each program element.

**Levee System Integrity**

In the first three years of the Program, funding through the Delta Levees Subvention Program helped preserve 700 miles of Delta levees and make minor improvements while enhancing the Delta environment. Although the Program has been impacted by the state's fiscal crisis, Proposition 50 provides \$70 million, or approximately two additional years of funding. This will allow the Levee program to move beyond maintenance and make some long-term levee improvements. Without a reliable source of adequate long-term funds, the Levee System Integrity Program will not be able to make the long-term improvements necessary to protect Delta assets including: land and infrastructure, the environment, Delta and export water quality, and water supply reliability for the state and federal water projects. Lack of Federal authorization for the Levee System Integrity Program continues to have an adverse effect on Program implementation.

**Conveyance**

Significant research has been conducted and new information developed regarding the movement of fish and salt in the Delta, which will provide knowledge about how to better operate Delta facilities for fish protection and water quality. Completion of the planning phase for increasing south Delta pumping capacity to 8500 cfs, construction of permanent operable barriers in the south Delta, construction of an intertie between the State Water Project and the Central Valley Project and construction of the North Delta Improvements project was delayed approximately one year to 2004. Although the availability of federal funds and cost sharing on several of the projects continues to be uncertain, Proposition 50 provides \$75 million to continue the implementation of water conveyance facilities.

**Storage**

Groundwater Storage has shown greater potential to provide short-term water supply benefits than originally anticipated in the ROD. Significant funding from Proposition 13 has allowed many locally managed and controlled groundwater feasibility studies and pilot projects to be developed. Work has progressed on surface storage feasibility studies for all five projects under investigation, although lack of stable and adequate



state and federal funding has caused some delays. Federal authorization to conduct feasibility studies for three of the projects was not provided until Year 3. The In-Delta Storage program has not received federal feasibility authorization. Proposition 50 provided \$50 million for surface storage investigations. These funds will be expended before the investigations are completed. A decision on whether to move forward on in-Delta storage, and a voter proposition for Los Vaqueros Reservoir expansion are expected in Year 4. Decisions on whether other surface storage projects should move forward are expected in 2005-06.

### **Watersheds**

Contracts have been finalized and work initiated on 51 of 83 local watershed projects funded in the first two years of the Program. The Year 3 grant funding process currently administered by the State Water Resources Control Board will be completed in early 2004. Contracting delays have put implementation of all of second year grant projects well behind schedule. The current state budget crisis and lack of funding for federal agencies to implement the Watershed Program has affected staffing, technical assistance, science and outreach efforts. Proposition 50 provides \$90 million for implementation of the Watershed Program in Year 3 and over the next 2 years.

### **Drinking Water Quality**

In the first three years of the Program, implementing agencies awarded \$34 million for 21 water quality projects, with an emphasis on source improvement, treatment technology, and science. Contracts are in place for 13 of the projects. Significant progress was made on treatment technology demonstration projects. The Drinking Water Quality Program has been adversely impacted by the lack of consistent funding and has been unable to make significant progress toward achieving some ROD goals. Contracting issues, staff reductions resulting from the state's budget crisis, and the lack of funding have affected implementation of projects. Proposition 50, however, provides nearly \$2 billion for Statewide Water Quality Programs, of which, more than \$500 million could contribute to Bay-Delta Program drinking water quality objectives.

### **Environmental Water Account**

In its first three years, the Environmental Water Account (EWA) has been successful in providing fisheries protection and water supply reliability benefits. The third annual science review of EWA operations was held, and new levels of multi-agency cooperation were reached on regulatory and fish protection issues. EWA managers acquired 308,000 acre-feet of water in Year 3, including 31,000 acre-feet carried over from the prior year. A total of 315,000 acre-feet was used to maintain deliveries to water users during export reductions due to fishery needs. A key focus of Year 3 has been the discussion and negotiations to establish a long-term EWA for succeeding years.

### **Water Use Efficiency**

CALFED agencies provided more than \$40 million in financial support through grants and loans and technical support for more than 200 different local water conservation and recycling projects that contribute to the goals of the Program. Proposition 50

provides an additional \$180 million that will provide funding over the next three years to support portions of the Water Use Efficiency program. The Program continues to move forward with efforts to develop “appropriate measurement” of both urban and agricultural water use. Completion of water measurement proposals, which will assist in the successful long-term implementation of water conservation measures is anticipated in Year 4.

### **Water Transfers**

The Program is on track, assisting in the transfer of 515,000 acre-feet of water in 2003, including the Environmental Water Account, and more than one million acre feet in the first three years of the Bay-Delta Program. The On Tap web site is operational, although refinements have been delayed. The development of in-stream water tracking protocols also has been delayed.

### **Ecosystem Restoration**

Since its inception seven years ago, implementing agencies and staff of the Ecosystem Restoration Program (ERP) have made significant improvements in the habitats and species associated with the Bay-Delta and its watersheds. The CALFED agencies have invested more than \$476 million on more than 400 projects aimed at improving and restoring ecosystems, with more than \$80 million awarded in 2003. Progress is being made on restoring ecological processes and habitats, recovery of at-risk species, the Environmental Water Program, Upper Yuba River Studies Program, development of a mercury strategy with the science program, dissolved oxygen in the San Joaquin River, and other ongoing activities. The state's fiscal crisis has impacted staff resources, and contracting constraints have delayed preparation of a Delta-wide ecosystem restoration plan and implementation of aspects of the Single Blueprint for restoration activities. Proposition 50 provides \$180 million to support ERP implementation over the next two years, including not less than \$20 million to assist farmers in integrating agricultural activities with ecosystem restoration.

### **Science**

During Year 3, the Bay-Delta Science Program staff continued an intensive effort to clarify the state of knowledge and identify knowledge gaps in a number of specific scientific areas by organizing workshops and symposia, commissioning white papers, launching the program's web site and a peer reviewed online journal that highlights relevant local research and monitoring. A major milestone accomplishment for Year 3 has been the establishment of the Independent Science Board and appointment of world renowned science experts to advise the Authority on science issues within the Bay-Delta Program and provide external peer review for all program elements. Proposition 50 provides funding to support program-wide science for the next two years. Progress in other areas – the integration of science within each program element, development and implementation of performance measures, identifying cross-program conflicts and opportunities – has been much more limited.

### **Oversight & Coordination**

The California Bay-Delta Authority was established in January 2003, to provide long-term governance for the California Bay-Delta Program. The Authority is a 24-member body composed of state and federal agency directors, public members, Bay-Delta Public Advisory Committee representative, and *ex officio* elected officials. The Bay-Delta Public Advisory Committee continues to provide an important public forum for the Program, and provides advice to the state and federal Bay-Delta agencies and the Authority. The Authority has begun work on the development of the long-term finance plan which is expected to be more fully developed in Year 4. Environmental justice and tribal coordinators at the Authority continue to work towards effective implementation of environmental justice and tribal activities across all program elements and agencies. In coordination with the Department of Water Resource's State Water Plan, the Authority is developing regional profiles that will provide information on regional water use and needs, funding, priorities and opportunities to build state/federal and local partnerships to maximize regional and statewide benefits.

### **Year 3 Conclusions**

In the first three years, progress was made in all program areas. Major accomplishments include:

**Invested \$2 Billion** - More than \$2 billion was invested in projects and programs to meet the Bay-Delta Program objectives.

**Reduced Conflicts** - Conflicts over Delta operations were reduced significantly. The Environmental Water Account provided water to protect fish and stabilize water supplies.

**Increased Coordination** - Agencies increased the level of their coordination and continue to work towards efficient, integrated, scientifically based funding processes.

**Established Governance Structure** - The California Bay-Delta Authority was established, and the Bay-Delta Public Advisory Committee charter was renewed.

**Expanded Science Program** – Increased integration of science into all program elements and formed an Independent Science Board comprised of nationally renowned experts to assist in the development and implementation of the science agenda.

**Passed Water Bond** - Secured passage of Proposition 50, the largest water bond in the state's history, to provide the state's share of funding for the next few years.

Securing reliable state and federal funding continues to be the greatest challenge for the Program. In the first three years, the Drinking Water Quality, Agricultural Water Use Efficiency, Levee System Integrity, and Science Programs have been particularly short

of funds when compared to levels projected in the Record of Decision. Lack of federal authorization has adversely affected implementation of projects in the Water Use Efficiency, Conveyance, and Levee System Integrity Programs. All program elements have been affected by budget cuts and staffing reductions associated with the state's fiscal crisis. The passage of legislation establishing the California Bay-Delta Authority and the passage of Proposition 50 should provide the funding and oversight necessary to keep the Program in balance for the next two years.

## **Year 4 and Beyond**

To ensure ongoing balanced implementation of the California Bay-Delta Program, priorities for 2004 include:

**Federal Authorization** - Aggressive pursuit of federal authorization for full federal participation in the Program and adequate federal funding to support program implementation.

**Finance Plan** - Development of a long-term finance plan and user fee proposal that addresses financing questions and linkages for all program elements.

**Delta Improvements** - Completion of a coordinated package of Delta improvements that will better integrate SWP and CVP operations with an increase in SWP pumping capacity to 8,500 cfs, along with development of a long-term Environmental Water Account and improvements to in-Delta water quality.

**Integrated Funding** - Coordination of Prop. 50 grants and loans to ensure progress in the Bay-Delta Program, with a particular focus on the use of Proposition 50 drinking water funding to support key objectives of the Bay-Delta Drinking Water Quality Program.

**Regional Profiles** - In cooperation with the California Water Plan, development of regional profiles that provide insight into regional water use and needs, regional funding, regional priorities and opportunities to build state/federal and local partnerships to maximize regional and statewide benefits.

**Performance Measures** – Continued development of appropriate performance measures that will evaluate how well specific program elements are meeting the objectives of the Bay-Delta Program.

In addition to these priorities, the California Bay-Delta Authority directed staff to work with state, federal, and local agencies refine the mechanism used to track progress, and to reevaluate the targets and budgets for all program elements necessary to meet Program goals. This effort will include Year 4 assessments of the Water Use Efficiency, Drinking Water Quality, and Ecosystem Restoration Programs as described in the CALFED Record of Decision.



**ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE****INFORMATIONAL REPORT ON THE PROCESS AND SCHEDULE FOR THE DEVELOPMENT OF (1) REGIONAL WATER PROFILES, (2) REEVALUATING THE TARGETS AND BUDGETS, AND (3) LONG-TERM FINANCE PLAN NECESSARY TO MEET PROGRAM GOALS SPECIFIED IN THE RECORD OF DECISION****Agenda Item: 8****Meeting Date: December 11, 2003**

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**Summary:** This report discusses three topics: 1) the process and schedule for development of the regional water profiles, 2) the reevaluation of the targets and budgets necessary to meet the program goals specified in the CALFED Programmatic Record of Decision, and 3) the long-term finance plan. The Bay-Delta Public Advisory Committee and the California Bay-Delta Authority directed staff at their last meetings to report back on these topics.

**Recommended Action by BDPAC:** This is an informational item only. No action will be taken.

**Recommended Action by the Authority:** This is an informational item only. No action will be taken.

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**Background****Regional Profiles**

At the September 11, 2003, Bay-Delta Public Advisory Committee (BDPAC) meeting and at the October 9, 2003, California Bay-Delta Authority (Authority) meeting, the Authority, US Bureau of Reclamation (USBR) and Department of Water Resources (DWR) staff presented briefings on the linkages between the California Water Plan, implementation of the Bay-Delta Program, and USBR's Water 2025 program. All three of these programs are focused on improving regional coordination and planning for water management. Both DWR and Authority staff are producing documents that describe current and future water management challenges facing the regions of the State. On October 9, 2003, the Authority adopted Resolution No. 03-10-02, directing staff to work with State, Federal, and local agencies to develop regional water profiles in coordination with DWR's California Water Plan Update.

Authority and DWR staff have met several times to develop an outline for the regional water profiles and a coordinated schedule. The proposed outline and schedule are attached to this report. The regional profiles will be reviewed by the Authority, the BDPAC subcommittees, BDPAC, presented at the DWR's Water Plan Public Hearings, and incorporated into DWR's Final California Water Plan Update by December 2004.

### **Revised Targets**

Consistent with the direction provided by BDPAC and the Authority, the implementing agencies and Authority staff will reevaluate and revise the ROD targets and schedules, for incorporation into next year's program plans. This process, along with the Long-term Finance Plan, will help set priorities for legislation and future funding priorities. The goal is to insure Program balance, integration, and a more complete reflection of local and regional conditions. In addition, the agencies are developing performance-oriented targets to replace the original monetary goals. The schedules for revising the targets will be developed in early 2004.

### **Finance Plan**

BDPAC and the Authority have directed staff to develop a comprehensive Long-term Finance Plan. As part of this effort, the Authority staff and consultants prepared the first of three reports, *The Framework and Issues Report* released in October, 2003, which was provided to the Authority at the October 9, 2003, Authority meeting. As discussed at the October meeting, Authority staff have established an 8 member Independent Review Panel with broad expertise in public financing (bios attached). The Panel held their first meeting November 18, 2003, to publicly review and comment on the Framework and Issues Report. A written response from the Panel containing comments and recommendations will be mailed to Authority and BDPAC members prior to the December 11<sup>th</sup> joint meeting. The Panel will meet again this winter and the Finance Options Report, which will propose a set of finance options, including the institutional structure to implement the plan, is expected to be released in the spring of 2004.

A Technical Team of consultants working with Authority staff is responsible for drafting finance materials. An Ad Hoc Work Group consisting of stakeholders and agency staff is also reviewing and providing input to the Authority on the approach and analysis of finance issues and options. A list of finance plan participants is attached.

### **Fiscal Information**

Not applicable.

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**List of Attachments**

Attachment 1 – Schedule for Development of Regional Profiles  
Attachment 2 – Proposed Outline  
Attachment 3 – Finance Plan Participants  
Attachment 4 – Independent Review Panel Bios  
Attachment 5 – Independent Review Panel Report (to be mailed separately)

**Contact**

Wendy Halverson Martin  
Chief Deputy Director

Phone: (916) 445-5511



**Agenda Item: 8**  
**Attachment 1**

**Schedule for Development of Regional Profiles for  
California Water Plan Update 2003 and for California Bay-Delta Authority**

<b>Document or Event</b>	<b>Schedule</b>
Water Plan Advisory Committee Meeting	December 12, 2003
Bay-Delta Authority and BDPAC Briefing on Schedule and Content	December 11, 2003
Administrative Draft of Regional Profiles	End of January, 2004
Water Plan Advisory Committee Briefing	January 30, 2004
Bay-Delta Authority Briefing	February, 2004
Public Review Draft	March 5, 2004
BDPAC Briefing	March 11, 2004
Regional Review and BDPAC Subcommittee Review	Spring 2004
Water Plan Public Hearings	Late Spring 2004
BDPAC Review of Draft	May 13, 2004
CBDA Consideration of Regional Profiles	June 10, 2004
Final Water Plan Update	December 31, 2004

**Agenda Item: 8**  
**Attachment 2**  
**Draft Outline**  
**Bay-Delta Authority Regional Profile**  
**State Water Plan Regional Reports**

November 18, 2003

*Note: The regional reports will be divided into these sections. Within each section, the outline includes lists of the types of information that can be included for that section. However, please note that not all regional reports will address all the topics in this outline. Each regional report will cover those topics most important to that region. Regional reports can be as short as four pages and as long as thirty depending on the complexity of the issues in each region.*

1. Executive Summary (*summarizes entire report*)
2. Setting (*Describes what makes a region unique, how much water is used in a region, and where that water comes from*)
  - a. Regional topography climate, land use, and population, regional boundaries, counties
  - b. Water use in general (Is it for ag or urban? What are the major water supply features? What aqueducts and reservoirs serve the area?)
  - c. Current situation
    - i. Current Use (summary points from the water balance tables for the years being used for water plan)
    - ii. Current Supply Snapshot (include the following where they apply to the region)
      1. Imported water
      2. Groundwater storage and conjunctive use
      3. Recycled water
      4. Conservation BMPs
        - a. Residential, commercial, industrial, and institutional
        - b. Agriculture water use or supply?
      5. Desalinated ocean water
      6. Desalinated brackish water
      7. Contaminant treatment
      8. Water transfers
      9. Stormwater runoff
      10. System re-operation
    - iii. Water Balance Summary (Bulletin 160)
3. State of the Region (*Describes how the region is doing now, what accomplishments there are in the region, and what challenges face the region.*)
  - d. Accomplishments (local and CBDA)
    - i. Some measure of current implementation efforts in dollars, AF, or some other measure of results. (*This section is where information is likely to be missing.*)

- e. Challenges (*focus on four or five big challenges facing the region including, not necessarily limited to, the following examples*)
    - i. Trends in population and land use
    - ii. Trends in irrigated agricultural acreage
    - iii. Water quality
    - iv. Funding
    - v. Other
  - f. Relationship to other regions
4. Looking to the Future (*Estimated range of future needs, goals and priorities, planning groups, big projects*)
- g. Regional Planning
    - i. Characterization of current regional planning efforts
    - ii. Capacity to conduct regional planning
    - iii. Additional planning opportunities
  - h. State and Federal Planning
  - i. Goals, objectives, targets from regional planning where they are available
  - j. Estimates of Future Water Use (*This is the other section where information will be missing and where there are significant disagreements. The Water Plan will not have estimated ranges of future water use for this report. Some water agencies or regional efforts may have planning estimates of future needs. However, these planning estimates are often controversial. Where estimates of future demand from regional planning are available, they can be included but the source should be identified and appropriate caveats included.*)
    - i. Any regionally developed objectives or policies on how to meet these demands
  - k. Regional water supply strategies
    - ii. Surface storage objectives or projects
    - iii. Local sources
      - 1. Groundwater
        - a. Storage and Conjunctive Use
        - b. Desalinated brackish water
        - c. Contaminant treatment
      - 2. Water Use Efficiency
        - a. Recycled water
        - b. Conservation
          - i. Agricultural
          - ii. Urban
      - 3. Ocean desalination
      - 4. Stormwater runoff
    - iv. Water Transfers
    - v. Watershed management
    - vi. System re-operation
  - l. Regional drinking water strategies
    - vii. Treatment
    - viii. Exchanges

- ix. Source control and watershed management
  - x. ELPH (brief description and diagram)
- m. Regional ecosystem and water quality restoration strategies
  - i. Wetlands restoration
  - ii. Environmental water quality
  - iii. Watershed management

**Agenda Item: 8**  
**Attachment 3**  
**Finance Plan Participants**

**Independent Review Panel**

David Abel, President, Abel & Associates  
David Dowall, Professor, U.C. Berkeley  
Frederick Furlong, Federal Reserve Board  
Michael Hanemann, Professor, U.C. Berkeley  
Wendy Illingworth, Consultant, Economic Insights  
Dean Mischynski, Director, California Research Bureau  
Daniel Sumner, Professor, U.C. Davis  
Dennis Wichelns, Professor, C.S.U. Fresno

**Ad Hoc Stakeholder and Agency Work Group**

Jerry Meral, Planning and Conservation League Foundation  
Barry Nelson, Natural Resources Defense Council  
Frances Spivy-Weber, Mono Lake Committee  
Steve Hall, Assoc. of CA Water Agencies  
Brent Walthall, Kern County Water Agency  
Lowell Ploss, SJR Group Authority  
Dan Nelson SLDMWA  
Don Bransford, GCID  
Greg Gartrell, Contra Costa Water Agency  
Joe Grindstaff, Santa Ana Watershed Project Authority  
Tim Quinn, MWD  
Doug Wallace, EBMUD  
Robert Meacher, Plumas County Supervisor, RCRC  
Jerry Toenyes, Northern California Power Agency  
Tom Zuckerman, Delta landowner  
Mark Cowin, Department of Water Resources  
Tina Cannon, Department of Fish and Game  
Mark Newton, Legislative Analyst's Office

**Technical Team -- BDA Staff and Consultants**

Kate Hansel, Assistant Director, BDA  
Mike Myatt, BDA  
David Mitchell, M-Cubed  
Richard McCann, M-Cubed  
Steve Hatchett, Water Resources Economics, WREcon  
Roger Mann, RMEcon  
Ken Kirby, Independent Consultant  
David Kracman, Saracino Kirby and Snow  
Loren Botoroff, Independent Consultant  
Bennett Brooks, CONCUR



## **Agenda Item: 8**

### **Attachment 4**

# **Bay-Delta Program Finance Plan**

## **Independent Review Panel**

Panel Chair: David Dowall is a Professor of City and Regional Planning at the University of California, Berkeley. He is a Visiting Fellow of the Public Policy Institute of California. Dowall is a leading expert in urban economics and infrastructure policy and frequently consults for the World Bank, Asian Development Bank, United Nations Development Programme, and U.S. Agency for International Development. He has served as policy advisor to local and central governments and businesses in over 40 countries. He has authored several books including his more recent book Making Room for the Future: Rebuilding California's Infrastructure. He holds a B.S. in economics from University of Maryland and both a master's degree in urban and regional planning and a Ph.D in economics from University of Colorado.

David Abel is President and CEO of a California-based Public Affairs Consulting Firm, ABL, Incorporated, engaged in public policy, affordable housing development, transportation, and civic affairs. The firm also publishes two widely respected newsletters: "*The Planning Report*" which covers land-use and the "*Metro Investment Report*" which covers public infrastructure investment. Mr. Abel is also Chair of the LA Area Chamber Transportation, Water and Infrastructure Committee, and is a lecturer in UCSD's Urban Studies Department, as well as both a Senior Fellow at Occidental College's International and Public Affairs Center and the Chair of USC's School of Public Policy's Overseers Board. In addition to his law and education degrees, his educational background includes an undergraduate degree in economics at the London School of Economics, and a master's degree in Urban Studies.

Frederick T. Furlong is vice president in charge of the Financial and Regional Research Section of the Economic Research Department at the Federal Reserve Bank of San Francisco. Furlong came to the Reserve Bank in 1983 after serving five years as an economist at the Board of Governors of the Federal Reserve System in Washington, D.C. While at the Bank, Furlong has written extensively in the areas of banking, financial markets and monetary policy. He currently serves as a member of the Bay Area Council and Bay Area Economic Forum. After earning a bachelor's degree in science at St. Mary's College of California, Furlong received his master's and Ph.D. degrees in economics at the University of California at Los Angeles.

W. Michael Hanemann serves as the Chancellor's Professor in the Department of Agricultural and Resource Economics and in the Goldman School of Public Policy at the University of California, Berkeley. Hanemann's research interests include non-market valuation, environmental economics and policy, water pricing and management, demand modeling for market research and policy design, the economics of irreversibility and adaptive management, and welfare economics. Hanemann is a member of the Environmental Economics Advisory Committee of USEPA's Science Advisory Board, and a member of the BDPAC Drinking Water Quality Subcommittee. He is the author of Urban Water Demand Management and Planning and other publications on urban water financing. His work has appeared in *AER*, *Econometrica*, *JEEM*, *AJAE*, and elsewhere. Hanemann holds a master's degree from the London School of Economics, and both a master's in Public Finance and Decision Theory and Ph.D in economics from Harvard University.

Wendy Illingworth is founder and principal of Economic Insights, an economic consulting firm. She specializes in resource and regional economics, with expertise in the economic and financial aspects of water supply and pricing issues. She has had approximately twenty-five years' experience in resource planning, rate and economic impact issues for water and electric utilities. The last fifteen years of her experience has concentrated on issues related to California water supplies. Her work has focused on areas of economic and financial impacts of alternative supply strategies, economic impacts of proposed projects or regulations, and rate design. Illingworth received her undergraduate and graduate degrees in economics from the University of Arizona.

Dean Mischynski is founding director of the California Research Bureau in the California State Library. The Bureau, begun 1991 and modeled on the Library of Congress' Congressional Research Service, provides policy research services to both houses of the California Legislature and the Governor's Office. Mischynski worked for California's Senate for several years, where he drafted the Mello-Roos Act, the Infrastructure Financing District Act (which allows limited tax increment financing for infrastructure to serve new development) and other local financing legislation. He also served as deputy director of the State's Office of Planning and Research. Mischynski's graduate and undergraduate education were at Stanford in economics.

Daniel A. Sumner is Director of the University of California Agricultural Issues Center and the Frank H. Buck, Jr., Professor, Department of Agriculture and Resource Economics, University of California, Davis. Sumner spent several years as a senior economist at the President's Council of Economics Advisers and at the United States Department of Agriculture, where he served as Assistant Secretary for Economics in 1992 and early 1993. Sumner is the author of numerous professional articles, chapters and reports and the author, coauthor or editor of 10 books. Sumner is a graduate of California State Polytechnic University in agricultural management. He has a master's degree from Michigan State and a Ph.D. in economics from the University of Chicago.

Dennis Wichelns is Chief Economist with the California Water Institute and Professor of Agricultural Economics, at the California State University, Fresno. Since 1985, Wichelns has maintained an active program of research and consulting activities in California, with particular emphasis on irrigation and drainage issues in the San Joaquin Valley. His current research includes analysis of water supply and demand issues in California, transboundary competition for water resources, and the special role that improvements in water management can play in reducing poverty, improving environmental quality, and enhancing food security. He has degrees in Agricultural Economics from the Univ. of Maryland and the University of California, Davis.



Agenda Item 8 – Attachment 5  
Independent Review Panel Report  
(to be mailed separately)



650 Capitol Mall, 5<sup>th</sup> Floor  
Sacramento, CA 95814  
916.445.5511 FAX 916.445.7297  
<http://calwater.ca.gov>

## ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE

### CONSIDERATION OF A RESOLUTION RECOMMENDING TO THE DEPARTMENT OF WATER RESOURCES THAT IT PROCEED WITH ITS 2004 WATER USE EFFICIENCY GRANT PROPOSAL SOLICITATION PACKAGE (PSP), CONSISTENT WITH THE STATED PRIORITIES, SELECTION PROCESS, AND SCHEDULE

**Agenda Item: 9A**

**Meeting Date: December 11, 2003**

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**Summary:** This resolution would recommend to the Department of Water Resources that it proceed with its Proposal Solicitation Package for soliciting water use efficiency grant proposals, consistent with the stated priorities, selection process, and schedule. The Authority is committed to identifying and funding the most promising water use efficiency projects that contribute to reduced water demand, improved water quality, and improved ecosystem health. The Department of Water Resources, Office of Water Use Efficiency is the implementing agency designated to manage these grant programs.

**Recommended Action by BDPAC:** Staff recommends that BDPAC recommend to the Authority that it adopt the attached Resolution No. 03-12-04.

**Recommended Action by the Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-04, which supports Stage 1 Implementation for the Water Use Efficiency Program.

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### **Background**

In November 2002, California voters passed Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. The Department of Water Resources' (DWR) 2004 Water Use Efficiency grant program implements Water Code Chapter 7, Section 79550 (g) of Proposition 50.

The goals of the Water Use Efficiency Program are to reduce water demand, improve water quality, and improve ecosystem health. A Proposal Solicitation Package (PSP) will be released as part of Stage 1 Implementation for the Water Use Efficiency Program. DWR is the implementing agency designated to manage the grant programs.

## **PSP Priorities**

The goals of the Water Use Efficiency Program include water quantity , water quality, and in-stream flow and timing improvements that directly or indirectly provide benefits to the Bay-Delta. The Program is committed to identifying and funding the most promising water use efficiency projects that contribute towards the goals. DWR will seek proposals for agricultural and urban water use efficiency implementation projects as well as proposals for Research and Development Projects; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Outreach Programs; or Technical Assistance Programs related to Water Use Efficiency. Attachments 1 and 2 provide detail on eligible projects, applicants, and proposal review criteria.

## **Proposal Selection Process and Anticipated Schedule**

1. Proposals are received by DWR and initially reviewed by the California Bay-Delta Authority (Authority) (formerly CALFED) Water Use Efficiency Agency Team: Department of Water Resources, US Bureau of Reclamation, Natural Resources Conservation Service, State Water Resources Control Board, and Authority.
2. Proposals are reviewed by the Science and Economics Technical Teams.
3. Proposals are provided to the Review Panel (composed of Authority agencies, stakeholders, and subject matter experts) with reports from the Technical Teams.
4. The Review Panel members submit preliminary ratings, based on criteria established in the PSP.
5. The Review Panel convenes to discuss proposals, receive any additional clarification from the technical teams, and revise their scores, as desired.
6. The Authority Agency Team receives final ratings and comments from the Review Panel and produces a draft list of projects recommended for funding based on Review Panel ratings, geographic and categorical distribution, and the availability of funds.
7. A public workshop is held to release the draft funding recommendations and to receive public comments.
8. Final funding recommendations are presented to DWR and the Authority.
9. DWR makes the final funding decision.
10. Projects selected for funding will be posted on the DWR website at [www.owue.water.ca.gov](http://www.owue.water.ca.gov).
11. Contract negotiations begin.
12. Final contracts are executed.
13. Projects begin.

The anticipated schedule for this process is as follows:

By 2/26/04	Final Proposal Solicitation Package released.
To Be Determined	Public workshops held.
By 4/28/04	Proposals due.
By 7/28/04	Review process completed, workshops conducted, recommendations presented to the Authority, and DWR Management.
By 8/26/04	DWR makes final funding decision.
By 9/13/04	Contract negotiations begin.
By 1/13/05	Contracts executed, projects begin.

The release of the PSP is subject to the availability of funds and final approval by DWR Legal Department.

### **Fiscal Information**

**Funding Source:** Water Code, Chapter 7 Section 79550(g) of Proposition 50

**Term:** First Year: July 1, 2003 to June 30, 2004

**Total Amount:** \$30,000,000.00

### **List of Attachments**

Resolution No. 03-12-04

Attachment 1 – Power Point Presentation

Attachment 2 – Draft Water Use Efficiency Proposal Solicitation Package (bound separately)

### **Contact**

Marsha Prillwitz

Debra Gonzalez

Department of Water Resources

Phone: (916) 651-9674

Phone: (916) 651-7026

**Agenda Item: 9A  
Attachment I  
PowerPoint Presentation**

**2004 Water Use Efficiency  
Draft Proposal Solicitation Package  
Prop. 50, Chapter 7(g)**

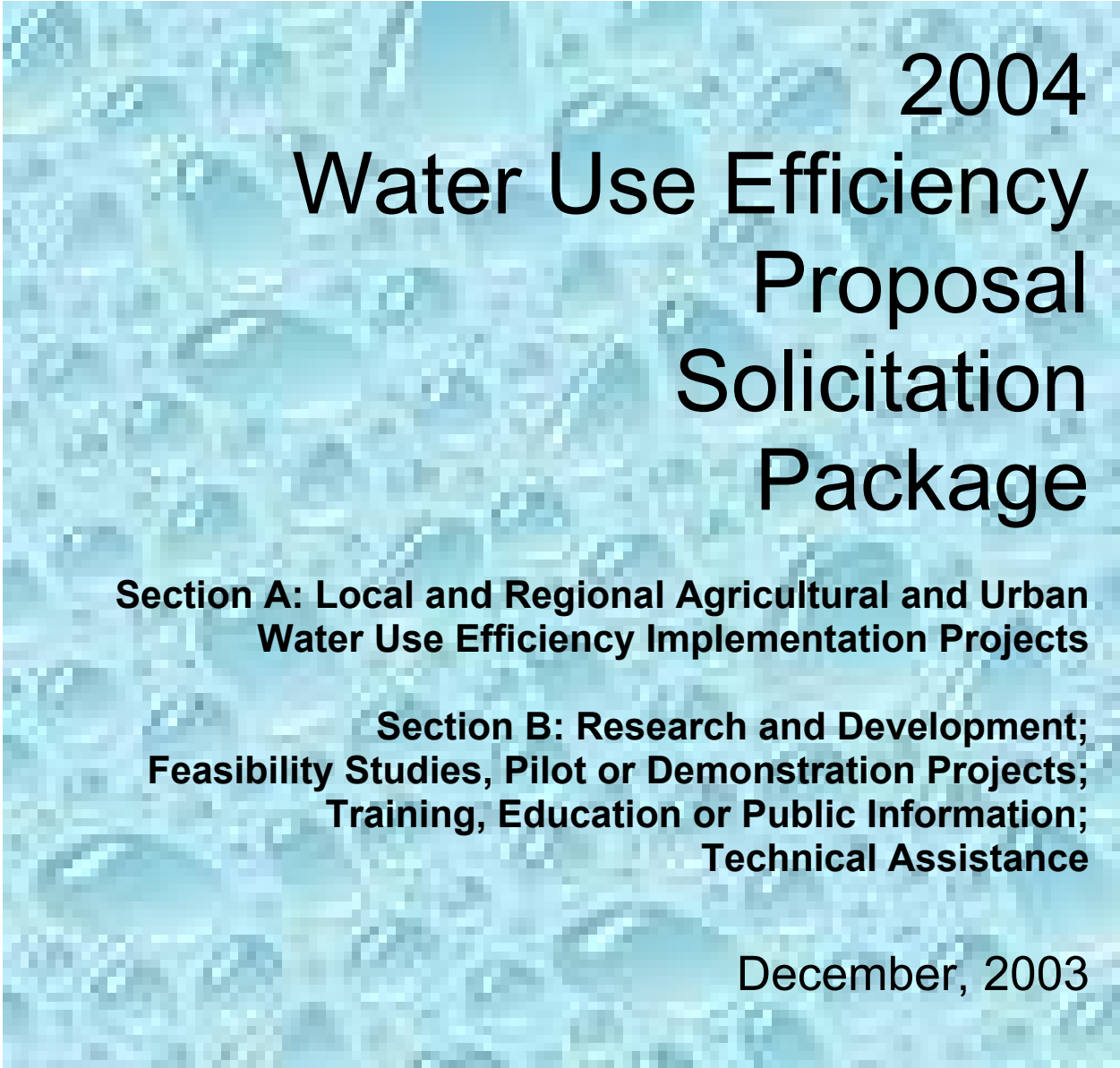
The 2004 Water Use Efficiency Draft Proposal Solicitation Package (PSP) will be released by the California Department of Water Resources (DWR) as part of Stage 1 Implementation for the California Bay-Delta Program Water Use Efficiency Program element. DWR is the implementing agency designated to manage these grant programs.

DWR is seeking proposals for agricultural and urban water use efficiency implementation projects as well as proposals for Research and Development Projects; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Outreach Programs; or Technical Assistance Programs related to Water Use Efficiency.

There is \$30 million available for funding water use efficiency projects in the first of three cycles, subject to the availability of funds, approval through this process and final approval through DWR Legal Office.

DRAFT

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# 2004 Water Use Efficiency Proposal Solicitation Package

**Section A: Local and Regional Agricultural and Urban  
Water Use Efficiency Implementation Projects**

**Section B: Research and Development;  
Feasibility Studies, Pilot or Demonstration Projects;  
Training, Education or Public Information;  
Technical Assistance**

December, 2003

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**DRAFT**

**2004 WATER USE EFFICIENCY  
PROPOSAL SOLICITATION PACKAGE**

**Section A: Local and Regional Agricultural and Urban  
Water Use Efficiency Implementation Projects**

**Section B: Research and Development;  
Feasibility Studies, Pilot, or Demonstration Projects;  
Training, Education or Public Information;  
Technical Assistance**

**December, 2003**

The California Department of Water Resources (DWR) invites you to submit a proposal for funding of a Water Use Efficiency Project.

**PROPOSAL DUE DATE:**

**3:00 p.m., XXXX, 2004**

**Must be received, not postmarked, by this time and date.**

**SUBMIT PROPOSAL TO:**

Submit one original, eight photocopies, and one electronic copy for each proposal, on 3.5 inch diskettes or CD-ROM (preferably in a PDF format, or in MS Word and/or Excel compatible format) to:

**California Department of Water Resources  
Office of Water Use Efficiency  
P.O. Box 942836, Sacramento, CA 94236-0001  
Attention: Debra Gonzalez**

**or overnight carrier or hand deliver to:**

**California Department of Water Resources  
Office of Water Use Efficiency  
1416 Ninth Street, Room 338, Sacramento, CA 95814  
Attention: Debra Gonzalez**

**QUESTIONS? NEED ASSISTANCE? CONTACT:**

Debra Gonzalez, (916) 651-7026 or  
[debrag@water.ca.gov](mailto:debrag@water.ca.gov)

For an electronic copy of this Proposal Solicitation Package, please go to this website: [www.owue.water.ca.gov](http://www.owue.water.ca.gov)

# DRAFT

## Notice of Public Workshops for the 2004 Water Use Efficiency Draft Proposal Solicitation Package and Request for Public Comment

### Workshop Dates and Locations:

San Diego	Sacramento
<b>January 13, 2004</b> 10:00 am – 12:00 pm City of San Diego Environmental Services Ridge Haven Bldg. First Floor Auditorium 9601 RidgeHaven Court San Diego, California 92123	<b>January 14, 2004</b> 10:00 am – 12:00 pm California Department of Water Resources Hearing Room, 1 <sup>st</sup> Floor Bonderson Building 901 P Street Sacramento, California 95814

**Purpose of Workshops:** These public workshops will provide information about the Draft Proposal Solicitation Package (PSP); describe the application, the guidelines for review and selection process, accept public comment on the Draft PSP; and provide an update on water use efficiency implementation.

Written comments must be received by January 23, 2004.

<b>Workshop Agenda:</b> (questions will be welcomed during each agenda item)	• Welcome and Introductions	10:00 am
	• Water Use Efficiency Program: An Update	10:20 am
	• WUE Proposal Solicitation Package: How to submit a proposal	10:40 am
	• Public Comments and Questions	11:30 am
	• Adjourn	12:00 pm

**For More Information:** Please direct all comments related to this Draft Proposal Solicitation Package to Debra Gonzalez (916) 651- 7026, [debrag@water.ca.gov](mailto:debrag@water.ca.gov).



**DRAFT**  
**2004 WATER USE EFFICIENCY**  
**PROPOSAL SOLICITATION PACKAGE**

**Section A: Local and Regional Agricultural and Urban Water Use Efficiency Implementation Projects**

**Section B: Research and Development; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Information; Technical Assistance**

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# DRAFT

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## **SECTION A: Local and Regional Agricultural and Urban Water Use Efficiency Implementation Projects**

### **A-1. BACKGROUND, GOALS AND OBJECTIVES**

In November 2002, California voters passed Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. This grant program implements Water Code Chapter 7, Section 79550 (g) of Proposition 50.

The goals of the California Bay Delta Program's Water Use Efficiency Program include water quantity, water quality, and in-stream flow and timing improvements that directly or indirectly provide benefits to the Bay Delta. The California Bay Delta Program, a cooperative effort of 24 State and federal agencies with management or regulatory responsibilities for the Bay-Delta, is committed to identifying and funding the most promising water use efficiency projects that contribute toward those goals. This Proposal Solicitation Package is being released by the California Department of Water Resources (DWR) as part of Stage One Implementation for the California Bay Delta Program's Water Use Efficiency Program. DWR is the State Agency designated to manage these grant programs.

DWR is seeking proposals for agricultural and urban water use efficiency implementation projects that contribute toward California Bay Delta Program goals (Section A) as well as proposals for agricultural and urban water use efficiency projects or programs that support California Bay Delta Program goals including Research and Development Projects; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Outreach Programs; or Technical Assistance Programs related to Water Use Efficiency (Section B).

### **A-2. ELIGIBLE APPLICANTS**

Eligible applicants include entities involved with water management activities including:

- (a) cities
- (b) counties
- (c) cities and counties
- (d) joint power authorities
- (e) public water districts
- (f) incorporated mutual water companies
- (g) non-profit organizations
- (h) tribes
- (i) watershed management groups
- (j) private entities involved in water management, including investor-owned utilities \*

\* Private individuals are not eligible. If the applicant is a private entity, the applicant must demonstrate that the private benefits will be incidental to the public benefits that will be achieved. The investment of public funds must result in public benefits. Private entities are encouraged to develop projects in formal collaboration with a public agency or agencies involved with water management.

(k) universities (Section B only)

(l) State agencies (Section B only)

(m) federal agencies (Section B only)

Applicants who wish to collaborate on a project and pursue a regional approach to water use efficiency may elect to use a contractor-subcontractor relationship or a joint powers authority. Contracts shall be executed with one entity only. The proposal shall clearly indicate who will sign the contract, and who will thereby be responsible for payments, reporting, and accounting. The proposal must describe the nature of the agreement between the other participants including the allocation of decision-making authority and liability as well as the tasks to be performed by the different entities and the costs associated with the tasks.

Agencies subject to the Urban Water Management Planning Act must have adopted a complete plan that meets the requirements of the law and submitted it to DWR to be eligible for this program. If you have questions regarding compliance with the Urban Water Management Planning Act, please contact David Todd at (916) 651-7027 or [dtodd@water.ca.gov](mailto:dtodd@water.ca.gov).

### **A-3. ELIGIBLE PROJECTS**

This Program relates to the first action item of the California Bay Delta Program's Water Use Efficiency Plan: implement agricultural and urban incentive programs to provide funding for water use efficiency projects that will provide multiple benefits to the Bay Delta including water quantity, water quality, and environmental benefits.

Water use efficiency implementation projects that wholly or partially attain Bay-Delta benefits through local or regional programs that are not locally cost effective are eligible for funding.

This may be accomplished through the implementation of projects that demonstrate a potential for achieving California Bay Delta Program objectives including:

- (a) Urban Best Management Practices (BMPs),
- (b) Agricultural Efficient Water Management Practices, (EWMPs) or
- (c) Other implementation projects (including Quantifiable Objectives).

Urban projects that focus on landscape water use efficiency and commercial, industrial and institutional water use efficiency are of highest priority. High efficiency washing machine rebates shall be available for only those machines with the best water savings ratings: **6.5**.

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For more information about BMPs, contact the California Urban Water Conservation Council at [www.cuwcc.org](http://www.cuwcc.org), or call (916) 552-5885. For more information about EWMPs or Quantifiable Objectives, contact the Agricultural Water Management Council at [www.agwatercouncil.org](http://www.agwatercouncil.org) or (916) 441-7868.

## A-4. INELIGIBLE PROJECTS

Locally cost effective projects (where the local benefit to cost ratio is greater than 1) **are not eligible** for funding under Section A.

Research and development, feasibility studies, pilot or demonstration projects, training, education, or public information, or technical assistance **are not eligible** under Section A, but are eligible under Section B of this package.

Wellhead rehabilitation, new storage tanks providing expanded capacity, water supply development, water treatment, wastewater treatment, flood control, conjunctive use, recycled water, or groundwater banking projects **are not eligible** for funding through this program. No funds will be available to replace existing funding sources for on-going projects, for political advocacy, for the purchase of water, for the establishment of a reserve fund, or for an applicant's litigation costs.

Projects that generate benefits that would ordinarily be accrued as a result of carrying out an existing law, regulation, or contract within the same time frame as the project described in the proposal **are not eligible** for funding. However, if funding would accelerate the project that portion of the project that would be facilitated by funding over and above the applicant's existing commitments would be eligible.

## A-5. GEOGRAPHIC SCOPE

Projects from throughout the State that contribute to the California Bay Delta Program goals will be considered for funding through this program. Consideration will be given in the selection process to the distribution of projects throughout these geographic regions of California: Southern California, Bay Area, San Joaquin Valley, and Sacramento Valley.

## A-6. AVAILABLE FUNDS

There is \$30 million available for funding water use efficiency projects this year, with approximately half of the funds to be dedicated to urban projects and half to agricultural projects. Approximately 75 percent will go toward implementation projects (Section A) and 25 percent to other projects that support the overall program (Section B). There is no per-project limit.

Contract execution and disbursements are subject to the availability of funds.

## **A-7. MATCHING FUNDS**

The applicant's cost share will be based on the split between applicant benefits and California Bay Delta Program benefits.

Disadvantaged communities, those with an annual median household income that is less than 80 percent of the statewide annual median household income, are not subject to this requirement for matching funds. The applicant shall provide the source of information documenting annual median household income for disadvantage communities.

## **A-8. DURATION OF PROJECTS**

Funds shall be expended within three years of the execution of the contract. If the project exceeds one year in duration, a budget with discrete 12-month periods shall be provided.

Projects may be multi-year efforts if necessary and appropriate, but proposal timelines and budgets that will be incorporated into the contract shall not exceed three years. In addition, since funding may be awarded for only a portion of each submitted project, the applicant should clearly show which tasks could be funded separately. When a portion of a project is funded, there is no guarantee that the remaining portions or future phases of that project will be funded. Future funding will depend on the progress of the project, the nature and extent of competing proposals, priorities, program authorization and funding availability.

## **A-9. AGREEMENT REQUIREMENTS**

**a. Standard Terms and Conditions.** Projects selected for funding will be subject to standard terms and conditions as specified by authorizing legislation and DWR procedures. The recipient must sign an agreement containing standard terms and conditions with DWR before the State can disburse funds. Funds will be delivered in accordance with the executed agreement. Applicants should not begin work on projects prior to the execution of the agreement.

**b. Reports.** Successful applicants will be required to submit quarterly fiscal and programmatic reports January 15, April 15, July 15 and October 15 throughout the project and a comprehensive final report at the end of the project. Water use data will also be required including the data described in Section 3c, Monitoring and Assessment. All data and information obtained under the contract will be made available in the public domain.

The applicant will be required to provide the following items, c and d, only if the proposal is selected for funding. The applicant need not submit these items with the proposal.

**c. Matching Funds Commitment Letter.** The applicant shall provide an institutional cost-sharing agreement (letter) signed by an official authorized to commit the applicant to all or part of the matching share or a letter authorizing third party, in-kind contribution signed by an official authorized to commit the third party.

**d. Resolution.** Prior to the execution of the contract, the applicant shall provide a resolution from their governing board accepting the funds and designating a representative authorized to execute the contract and sign requests for disbursement.

## **A-10. CONFLICT OF INTEREST AND CONFIDENTIALITY**

All participants, including applicants and reviewers, are subject to State conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the proposal being rejected and/or any subsequent contract being declared void. Applicable statutes include, but are not limited to, Government Code section 1090, Public Contract Code sections 10410 and 10411.

All proposals will become public information upon submittal to DWR. Once the proposal is signed and submitted to DWR, the applicant waives any rights to privacy and the confidentiality of the proposal.

## **A-11. PROPOSAL REVIEW, SELECTION, AND AWARD PROCESS**

1. Proposals are received by DWR and initially reviewed by the California Bay Delta Authority (CBDA) (formerly CALFED) Water Use Efficiency Agency Team: Department of Water Resources, United States Bureau of Reclamation, Natural Resources Conservation Service, State Water Resources Control Board, and CBDA.
2. Proposals are reviewed by the Science and Economics Technical Teams.
3. Proposals are provided to the Review Panel, (composed of CBDA agencies, stakeholders, and subject matter experts) with reports from the Technical Teams.
4. The Review Panel members submit preliminary ratings, based on criteria established in this Proposal Solicitation Package.
5. The Review Panel convenes to discuss proposals, receive any additional clarification from the technical teams, and revise their scores, as desired.
6. The CBDA Agency Team receives final ratings and comments from the Review Panel and produces a draft list of projects recommended for funding based on Review Panel ratings, geographic and categorical distribution, and the availability of funds.
7. A public workshop is held to release the draft funding recommendations and to receive public comments.
8. Final funding recommendations are presented to DWR and CBDA.
9. DWR makes the final funding decision.
10. Projects selected for funding will be posted on the DWR website at [www.owue.water.ca.gov](http://www.owue.water.ca.gov).
11. Contract negotiations begin.
12. Final contracts are executed.
13. Projects begin.



## A-12. ANTICIPATED SCHEDULE

The anticipated schedule for this process is as follows:

By 2/26/04	Final Proposal Solicitation Package released.
By xxx	Public workshops held.
By 4/28/04	Proposals due.
By 7/28/04	Review process completed, workshops conducted, recommendations presented to CBDA, and DWR Management.
By 8/26/04	DWR makes final funding decision.
By 9/13/04	Contract negotiations begin.
By 1/13/05	Contracts executed, projects begin.

## A-13. SELECTION CRITERIA

Proposals will be reviewed and evaluated according to the following criteria:

	<u>Criteria</u>	<u>Points</u>
A.	Relevance and Importance	10
B	Technical/Scientific Merit, Feasibility	20
C	Monitoring and Assessment	15
D	Qualifications of the Applicants & Cooperators:	5
E	Outreach, Community Involve. & Acceptance:	10
F	Innovation:	10
G	Costs and Benefits:	30

Preference will be given to disadvantaged communities: those with an annual median household income that is less than 80 percent of the statewide annual median household income.

*No project with an average total score of less than 70 points shall be funded.*

## A-14. PROPOSAL CONTENTS

The proposal, including one original, eight photocopies and one electronic copy on 3.5 inch diskettes or CD-ROM (preferably in a PDF format or in MS Word and/or Excel compatible format) must be received by 3:00 p.m, xxxxx at:

**California Department of Water Resources**

**Office of Water Use Efficiency**

**P.O. Box 942836, Sacramento, CA 94236-0001, Attention: Debra Gonzalez,  
or by overnight carrier or hand delivered to:**

**California Department of Water Resources**

**Office of Water Use Efficiency**

**1416 Ninth Street, Room 338, Sacramento, CA 95814**

**Attention: Debra Gonzalez, (916) 651-7026**



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The entire proposal shall be in 12-point font or larger on 8 ½-11 inch paper. The proposal shall not exceed 20 single-spaced, consecutively numbered pages. Maps, photographs, figures, tables, or resumes attached to the Proposal are not included in the page limit. Proposals that exceed the 20-page limit will be excluded from consideration.

**A complete proposal consists of the following:**

- A. Project Information Form (Appendix A)
- B. Signature Page (Appendix B)
- C. Statement of Work, Section One: Relevance and Importance
- D. Statement of Work, Section Two: Technical/Scientific Merit, Feasibility
- E. Statement of Work, Section Three: Monitoring and Assessment
- F. Qualifications of the Applicants and Cooperators
- G. Outreach, Community Involvement and Acceptance
- H. Innovation
- I. Benefits and Costs (Tables in Appendix C and supporting documentation)

**A. Project Information Form: Complete Appendix A.**

**B. Signature Page: Complete Appendix B.**

**C. Statement of Work, Section 1: Relevance and Importance**

Describe the goals and objectives of the project. Include an explanation of the need for the project as related to critical local, regional, Bay-Delta, State or federal water issues. Describe how this project would be consistent with local or regional water management plans or other integrated resource management plans. Document the implementation of water demand management activities that have been identified in urban or agricultural water management plans. Describe how the project will further implement existing water management activities or initiate new ones.

**D. Statement of Work, Section 2: Technical/Scientific Merit, Feasibility**

Describe methods, procedures, equipment, and facilities. Provide enough information to permit evaluation of the feasibility and technical adequacy of the approach to satisfy the objectives and the applicant's readiness to proceed.

Provide a task list and schedule. Provide a project plan and work schedule with tasks, deliverable items, start and end dates, and projected costs for each task. This plan will form the basis of the required quarterly and annual project fiscal and programmatic reports. Should a project be awarded a grant, these items will be used in development of the contract and used for project tracking purposes.

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**Preliminary Plans and Specifications and Certification Statements (for construction projects only).** Submit Final Plans and Specifications or Preliminary Plans and Specifications for the proposed project if Final Plans and Specifications are not complete. The Preliminary Plans should indicate, at a minimum, types and quantities of materials, dimensions, and location. Certification Statements verify that the project is feasible. A California registered civil engineer must prepare the Plans and Specifications and Certification Statements.

## **Environmental Documentation**

Include a plan for compliance with all applicable environmental requirements. The plan should address all the potential environmental, social and economic impacts of the proposed project, including mitigation, required under the California Environmental Quality Act (CEQA) and, if applicable, the National Environmental Policy Act (NEPA). The plan should also address compliance with local, county, State, and federal permitting requirements.

Submit the following items:

- A detailed plan for compliance with all applicable environmental laws.
- A schedule for completion of all appropriate environmental documentation.
- A completed Environmental Impact Checklist that can be found at:  
[http://ceres.ca.gov/topic/env\\_law/ceqa/guidelines/Appendix\\_G.html](http://ceres.ca.gov/topic/env_law/ceqa/guidelines/Appendix_G.html)

If an Initial Study has been prepared for the project, provide a copy of the checklist accompanying that document.

Compliance with NEPA must also be demonstrated if NEPA requirements apply to the project.

*If this not a "project" as defined by CEQA, state in this section.*

A "project" as defined by CEQA, CCR, Title 14, Division 6, Chapter 3, section 15378 is:

"... the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment...."

For general information about environmental compliance, refer to this website: <http://ceres.ca.gov/ceqa>. For information about environmental regulatory compliance for California Bay Delta Program projects, please refer to the "Guide to Regulatory Compliance for Implementing CALFED Actions" at [http://calwater.ca.gov/environmental\\_docs.html](http://calwater.ca.gov/environmental_docs.html). For assistance in establishing environmental significance of project specific impacts to farmland, refer to this website: [www.consv.ca.gov/dlrp/LESA/LESA.htm](http://www.consv.ca.gov/dlrp/LESA/LESA.htm).

## **E. Statement of Work, Section 3: Monitoring and Assessment**

Provide a plan for project monitoring and evaluation that will be used to document water savings and other benefits; to mark progress; and to determine the success of the project. Monitoring and evaluation costs are expected to be an integral part of each project and may be assigned to the California Bay Delta Program share. Monitoring plans should include:

- A description of how pre-project conditions and data baselines will be determined, the basic assumptions being used, and the anticipated accuracy of the data to be produced;
- An explanation of the monitoring methodologies that will be used and the project monitoring data that will be collected to assess project results;
- An explanation of how the above data will be used to evaluate success in relation to project goals and objectives;
- A description of how external factors such as changes in weather, cropping programs, or social conditions will be taken into account;
- Information about how the data and other information will be handled, stored, and reported and made accessible to DWR and others; and
- The estimated costs associated with the implementation of the monitoring and evaluation plan.

Applicants will be asked to re-evaluate project cost/benefit analysis as part of the final report. Applicants will also be asked to submit annual reports of benefits and costs for five years after the completion of the project.

## **F. Qualifications of the Applicants and Cooperators**

1. Include a resume(s) of the project manager(s). Resumes may be attached to the end of the proposal and shall not exceed two pages.
2. Identify and describe the role of any external cooperators that will be used for this project.
3. Describe briefly any previous water use efficiency grant projects in which the applicant has participated. Consideration will be given to the applicant's performance in prior water use efficiency programs.
4. If applicant is a disadvantaged community, provide the source of information documenting annual median household income.

## **G. Outreach, Community Involvement and Acceptance**

Applicants are encouraged to coordinate prior to submitting a proposal with local governments, and other local entities such as community based organizations and watershed groups. The proposal shall describe a plan for public outreach to the groups or individuals that may be affected by the project. Identify which local groups or other interested organizations are aware of the project and their level of support or opposition. Identify any potential third party impacts. Estimate the number of people or organizations that are expected to receive training, employment, or other social or economic benefits from the project. Describe any opposition to the proposed project.

## **H. Innovation**

Describe innovative technologies or methodologies to be employed in the project that could contribute to improved efficiencies in projects throughout the State.

## **I. Benefits and Costs**

Proposed projects may result in water savings both to the local water agency and to others outside of the local agency's service area, which is referred to as California Bay Delta Program water savings. Local water agency savings plus California Bay Delta Program water savings result in total water savings.

This section estimates the local agency's benefits and costs as well as the project's unit costs (\$/AF) from both the local and California Bay Delta Program perspectives. The purpose of this analysis is to identify potential cost savings (resulting from total water savings) that would justify California Bay Delta Program project cost sharing.

In this section, the applicant shall estimate total water savings and note the portion of the water savings that will accrue to the applicant and to the California Bay Delta Program.

Complete the Benefit/Cost Analysis Tables C-1 through C-7 in Appendix C. Excel files are available at this website: [www.owue.water.ca.gov](http://www.owue.water.ca.gov). In addition, provide documentation in this section to explain and justify all major analysis assumptions. Express all benefits and costs in present year (2003) dollars.

### **Table C-1: Estimated Water Savings**

This table estimates the amount of water savings accruing within the local agency's service area as well as water savings accruing outside of the applicant's service area (California Bay Delta Program water savings). These are combined into a total water savings estimate. Please explain how these water savings were determined.

**Table C-2: Project Costs (Budget).** Provide a brief explanation for the labor costs (including consultants), equipment, supplies, and travel included in the budget. Complete only the lines that are applicable for that particular project. Provide information about the amount of cost sharing for each. The ratio of local to total water savings shall be reflected in the budget (Table C-1, Estimated

Water Savings.) Table C-2 will be used as the basis for the contract budget for the project, if selected for funding.

**Table C-3: Annual Operations and Maintenance Costs.** Include annual administration, operations, maintenance and other annual costs.

**Table C-4: Total Annual Project Costs.** This table totals annual projects costs from Table C-1 and annual operations and maintenance costs from Table C-2.

**Tables C-5a through C-5d: Local Water Supply Benefits** These tables compute the local agency's water supply benefits based upon only local agency water savings.

**Table C-5a: Avoided Costs of Current Supply Sources (Current Sources of Water)**

**Table C-5b: Avoided Costs of Future Supply Sources (Future sources of water supply)**

**Table C-5c: Water Supplier Revenue (Vendibility) (Water anticipated to be sold by the agency from current sources.)**

**Table C-5d: Total Local Water Supply Benefits**

Tables C-5a, C-5b, and C-5c provide *alternative* ways to estimate local benefits of local water saved by the proposed project. In most cases, only one of these tables will be used.

More than one table may be used if the applicant clearly explains why more than one approach is appropriate and does not double-count benefits.

The multiple entry lines in each table may be used for more than one avoided source (or sale), or they may be used to detail different components of benefit. Examples of multiple entries for the same water could include avoided raw water cost, avoided variable treatment and delivery cost, and avoided variable wastewater disposal cost.

**Table C-6: Local Benefit/Cost Ratio**

Numbers for this table are generated from Table C-4, Total annual project costs and C-5d, total local water supply benefits annual water supply benefit, producing the local benefit/cost ratio. The local benefit/cost ratio must be less than one for the project to be eligible for funding.

**Table C-7a and C-7b: Unit Cost of Water Saved**

These tables estimate the project's unit costs (\$/AF) from the perspective of the local agency and California Bay Delta Program. Numbers for these tables are generated from (Table C-1, Estimated Water Savings) and Table C-4, annual project costs.

**Table C-8: Capital Recovery Factor Table**

This is a reference table that may be used in Table C-2 row (q).

## **Section B: Research and Development; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Information; Technical Assistance**

### **B-1. BACKGROUND, GOALS AND OBJECTIVES:**

**See Section A-1.**

### **B-2. ELIGIBLE APPLICANTS:**

**See Section A-2.**

### **B-3. ELIGIBLE PROJECTS**

This Program supports the first action item of the California Bay Delta Program's Water Use Efficiency Plan: implement agricultural and urban incentive programs to provide funding for water use efficiency projects that will provide multiple benefits including water supply, water quality, and environmental benefits. Projects that support, promote, evaluate or explore water use efficiency are eligible for funding under this section. Following is a list of agricultural, urban, and programs of particular interest.

#### **1. Agricultural water use efficiency research and development, feasibility studies, pilot or demonstration projects**

Estimation of past, present and future water savings in agriculture

Monitoring and evaluation of current and completed water use efficiency projects to validate results and make recommendations for future projects

Applied research projects on specific soil, water, plant issues as related to water use efficiency

Exploration of links between efforts to reduce TMDLs (Total Maximum Daily Loads) and water use efficiency practices

Potential benefits and costs of Regulated Deficit Irrigation technologies and management practices for tree and vine crops

Potential benefits and costs of employing remote sensing technology to improve water use efficiency

Potential benefits and costs of alfalfa summer dry down during water short years

Potential benefits and costs of improved water use practices associated with rice, processing tomatoes, or row crops

Potential benefits and costs of improved water use efficiency associated with reduced tillage

Potential benefits and costs of improved furrow irrigation

Potential benefits and costs of efficient water and land management practices for grazing lands

Exploration of new technologies and water management practices to improve water use efficiency

## **2. Urban water use efficiency feasibility studies, research and development, pilot or demonstration projects**

Estimate past, present and future water savings in the urban sector

Monitoring and evaluation of current and completed water use efficiency projects to validate results and make recommendations for future projects

Identify total urban irrigated landscape areas in State by region

Expand the 'California Friendly Landscape Program' developed by the Metropolitan Water District of Southern California to the rest of the State

Survey water districts to ascertain indoor versus outdoor residential water use, market penetration of water conservation devices, customer motivation to conserve, etc.

Explore the production and promotion of standardized billing and reporting systems (customer type, units of measure, etc.)

Produce data protocols for evaluating water conservation programs in terms of benefits and costs

Bench test data loggers

Explore flapper replacement

Develop Water Star rating system for water using appliances

Develop Water Star Home certification program for new and existing residences

Explore new technologies and water management practices to improve water use efficiency

Water Conservation demonstration gardens

## **3. Statewide agricultural water use efficiency training, education or public education programs**



**4. Statewide urban water use efficiency training, education or public education programs**

**5. Statewide agricultural water use efficiency technical assistance programs**

Statewide technical assistance to facilitate the implementation of Efficient Water Management Practices or other agricultural water use efficiency actions

Statewide technical assistance to facilitate the preparation of Agricultural Water Management Plans including Net Benefit Analyses

Statewide technical assistance to facilitate the submittal of a proposal to receive funds through Proposition 50 or other programs

**6. Statewide urban water use efficiency technical assistance programs**

Statewide technical assistance to facilitate the implementation of Best Management Practices or other urban water use efficiency actions

Statewide technical assistance to facilitate the preparation of Urban Water Management Plans

Statewide technical assistance to facilitate the submittal of a proposal to receive funds through Proposition 50 or other programs

CIMIS program build-out to accommodate urban non-ideal station data on DWR website

**B-4. INELIGIBLE PROJECTS: SEE A-4.**

**B-5. GEOGRAPHIC SCOPE**

Projects from throughout the State will be considered for funding.

**B-6. AVAILABLE FUNDS: SEE A-6**

**B-7. MATCHING FUNDS**

There is no matching fund requirement for Section B projects. However, the provision of matching funds from non-State sources is encouraged.

**B-8. DURATION OF PROJECTS: SEE A-8.**

**B-9. AGREEMENT REQUIREMENTS: SEE A-9.**

**B-10. CONFLICT OF INTEREST AND CONFIDENTIALITY: SEE A-10.**

**B-11. PROPOSAL REVIEW, SELECTION, AND AWARD PROCESS: SEE A-11.**



## **B-12. ANTICIPATED SCHEDULE: SEE A-12.**

## **B-13. SELECTION CRITERIA**

	<u>Criteria</u>	R&D, Feasibility. Studies, Pilots, Demos	Training, Education, Public Info	Technical Assistance
A.	Relevance and Importance	10	10	10
B	Technical/Scientific Merit, Feasibility	25	20	25
C	Monitoring and Assessment	25	15	15
D	Qualifications of the Applicants & Cooperators:	5	5	5
E	Outreach, Community Involve. & Acceptance:	10	25	20
F	Innovation:	10	10	10
G	Costs and Benefits:	15	15	15

*No project with an average total score of less than 70 points shall be funded.*

## **B-14. PROPOSAL CONTENTS: SEE A-14, except for Benefits and Costs, A-14, I and Outreach, Community Involvement and Acceptance, A-14, G.**

For projects under Section B, provide the following information:

### **Outreach, Community Involvement and Acceptance**

Feasibility studies, research, pilot, or demonstration projects such as the investigation of new technologies, methodologies, approaches, institutional frameworks; quantification of existing water use efficiency projects; or market transformation studies conducted exclusively in a laboratory or office should describe how information and project results will be disseminated.

### **Benefits and Costs**

Complete Appendix C, Table C-1: Project Costs (Budget) only.

Provide a brief explanation for the labor costs (including consultants), equipment, supplies, and travel included in the budget. Provide information about the amount of cost sharing for each element as well as direct and indirect costs.

Describe the potential benefits and information to be gained that the project will explore in terms of water use efficiency.

Compare the potential benefits and anticipated information to be gained to the anticipated costs.

## 2004 Water Use Efficiency Proposal Solicitation Package

### Appendix A: Project Information Form

1. Applying for (select one)

☐ **Agricultural Water Use Efficiency Implementation Project (Section A)**

☐ **Urban Water Use Efficiency Implementation Project (Section A)**

☐ **Agricultural Research and Development; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Information; Technical Assistance (Section B)**

☐ **Urban Research and Development; Feasibility Studies, Pilot, or Demonstration Projects; Training, Education or Public Information; Technical Assistance (Section B)**

2. Principal applicant  
(Organization or affiliation):

---

3. Project Title:

---

4. Person authorized to sign and submit  
proposal and contract:

Name, title

Mailing address

---

---

---

Telephone

Fax.

E-mail

---

---

Name, title.

5. Contact person (if different):

Mailing address.

---

---

Telephone

Fax.

E-mail

---

---

6. Funds requested (dollar amount):

---

7. Applicant funds pledged (dollar amount):

\_\_\_\_\_

8. Total project costs (dollar amount):

\_\_\_\_\_

9. Estimated total quantifiable project benefits (dollar amount):

\_\_\_\_\_

Percentage of benefit to be accrued by applicant:

\_\_\_\_\_

Percentage of benefit to be accrued by California Bay Delta Program:

\_\_\_\_\_

10. Estimated annual amount of "gross" water to be saved (recoverable and irrecoverable losses, in acre-feet):

\_\_\_\_\_

Estimated total amount of "gross" water to be saved (recoverable and irrecoverable losses, in acre-feet):

\_\_\_\_\_

Over \_\_\_\_\_ years

\_\_\_\_\_

11. Estimated annual amount of "net" water to be saved (irrecoverable losses only, in acre-feet):

\_\_\_\_\_

Estimated total amount of "net" water to be saved (irrecoverable losses only, in acre-feet):

\_\_\_\_\_

Over \_\_\_\_ years

\_\_\_\_\_

12. Estimated benefits to be realized in terms of water quality, in stream flow, other:

\_\_\_\_\_

13. Duration of project (month/year to month/year):

\_\_\_\_\_

14. State Assembly District where the project is to be conducted:

\_\_\_\_\_

15. State Senate District where the project is to be conducted:

\_\_\_\_\_

16. Congressional district(s) where the project is to be conducted:

\_\_\_\_\_

17. County where the project is to be conducted:

\_\_\_\_\_

18. Location of project (longitude and latitude)

\_\_\_\_\_

19. Type of applicant (select one):

- ☐ (a) city
- ☐ (b) county
- ☐ (c) city and county
- ☐ (d) joint power authority
- ☐ (e) public water district
- ☐ (f) incorporated mutual water company
- ☐ (g) non-profit organization
- ☐ (h) tribe
- ☐ (i) watershed management group
- ☐ (j) private entity involved in water management, including investor-owned utility
- ☐ (k) university (Section B only)
- ☐ (l) State agency (Section B only)
- ☐ (m) federal agency (Section B only)

20. Is applicant a disadvantaged community? If 'yes' include annual median household income.

- ☐ (a) yes, \_\_\_\_\_ median household income
- ☐ (b) no

21. Section A Project related to:

- ☐ (a) implementation of Urban Best Management Practice, #\_\_\_\_
- ☐ (b) implementation of Agricultural Efficient Water Management Practice, #\_\_\_\_
- ☐ (c) implementation of other projects to meet California Bay Delta Program objectives, Quantifiable Objective # if applicable \_\_\_\_  
Specify other: \_\_\_\_\_

22. Section B Project related to:

- ☐ (b) research & development, feasibility studies, pilot, or demonstration projects
- ☐ (b) training, education or public information programs with statewide application
- ☐ (c) technical assistance
- ☐ (d) other

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**2004 Water Use Efficiency Proposal Solicitation Package  
Appendix B. Signature Page**

By signing below, the official declares the following:

The truthfulness of all representations in the proposal;

The individual signing the form has the legal authority to submit the proposal on behalf of the applicant;

There is no pending litigation that may impact the financial condition of the applicant or its ability to complete the proposed project;

The individual signing the form read and understood the conflict of interest and confidentiality section and waives any and all rights to privacy and confidentiality of the proposal on behalf of the applicant;

The applicant will comply with all terms and conditions identified in this PSP if selected for funding; and

The applicant has legal authority to enter into a contract with the State.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and title

\_\_\_\_\_  
Date

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## APPENDIX C BENEFIT/COST ANALYSIS TABLES

**Table C-1: Estimated Water Savings**

**Table C-2: Project Costs (Budget)**

**Table C-3: Annual Operations and Maintenance Costs**

**Table C-4: Total Annual Project Costs**

**Tables C-5a through C-5d: Local Water Supply Benefits**

**Table C-5a: Avoided Costs of Current Supply Sources (Current Sources of Water)**

**Table C-5b: Avoided Costs of Future Supply Sources (Future sources of water supply)**

**Table C-5c: Water Supplier Revenue (Vendibility) (Water anticipated to be sold by the agency from current sources.)**

**Table C-5d: Total Local Water Supply Benefits**

**Table C-6: Local Benefit/Cost Ratio**

**Table C-7a, C-7b: Unit Cost of Water Saved**

**Table C-8: Capital Recovery Factor Table**

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## APPENDIX C BENEFIT/COST ANALYSIS TABLES

APPLICANT: \_\_\_\_\_

**Table C-1: Estimated Water Savings**

			%	AF
a. Local Annual Water Savings (1)	(a)			
b. California Bay Delta Program Annual Water Savings (2)	(b)			
c. Total Annual Water Savings (3)	(c)	(a) + (b)		
			100%	

(1) Water savings expected to accrue within the applicant's service area

(2) Water savings expected to accrue by the CALFED Bay Delta Program outside the applicant's service area.

(3) Total water savings expected (local and California Bay Delta Program)

**Table C-2: Project Costs (Budget)**

	Category (a)	(Applicant) Share (b)	(California Bay Delta Program) Share (c)	Total Project Costs (d) (b + c)
(a)	Administration			0
	Salaries, wages			0
	Fringe benefits			0
	Supplies			0
	Equipment			0
	Consulting services			0
	Travel			0
(b)	Planning/Design/Engineering			0
(c)	Equipment Purchases/Rentals/Rebates/Vouchers			0
(d)	Materials/Installation/Implementation			0
(e)	Implementation Verification			0
(f)	Project Legal/License Fees			0
(g)	Structures			0
(h)	Land Purchase/Easement			0
(i)	Environmental Compliance/Mitigation/Enhancement			0
(j)	Construction			0
(k)	Other (Specify)			0
(l)	Monitoring and Assessment			0
(m)	Report Preparation			0
(n)	<b>SUBTOTAL (a + ..... +m)</b>			0
(o)	Contingency (specify % used)			0
(p)	<b>TOTAL (n +o +p) (1)</b>			0
(q)	Capital Recovery Factor: Use Table C-8			
(r)	Annual Project Costs (p x q)			0

(1) Percentage of total applicant share and California Bay Delta Program share should reflect percentages in Table C-1

**Table C-3: Annual Operations and Maintenance Costs**

Administration (a)	Operations (b)	Maintenance (c)	Other (d)	Total (e)
				0

**Table C-4: Total Annual Project Costs**

Annual Project Costs (1) (a)	Annual O & M Costs (2) (b)	Total Annual Project Costs (c) (a + b)

(1) From Table C-2, row (r) column (d)

(2) From Table C-3, column (e)



## Tables C-5a through C-5d: Local Water Supply Benefits

### NOTES:

Tables C-5a, C-5b, and C-5c provide *alternative* ways to estimate benefits of local water saved by the proposed project. In most cases, only one of these tables will be used.

More than one table may be used if the applicant clearly explains why more than one approach is appropriate and does not double-count benefits.

The multiple entry lines in each table may be used for more than one avoided source (or sale), or they may be used to detail different components of benefit. Examples of multiple entries for the same water could include avoided raw water cost, avoided variable treatment and delivery cost, and avoided variable wastewater disposal cost.

**Table C-5a: Avoided Costs of Current Supply Sources (Current Sources of Water)**

Sources of Supply	Cost of Water (\$/AF)	Annual Displaced Water Supply (AF) (1)	Annual Avoided Costs (\$)
(a)	(b)	(c)	(d) (b x c)
			0
			0
			0
			0
			0
<b>Total</b>			<b>0</b>

(1) From Table C-1 row (a)

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**Table C-5b: Avoided Costs of Future Supply Sources (Future sources of water supply)**

Future Supply Sources	Total Capital Costs	Capital Recovery Factor (1)	Annual Capital Costs	Annual O&M Costs	Total Annual Costs	Avg. Annual Supply of Future Source (2)	Unit Cost of Future Source	Avg. Annual Avoided Supply	Annual Avoided Costs
(a)	(\$) (b)	(c)	(\$) (d) (bxc)	(\$) (e)	(\$) (f) (d+e)	(AF) (g)	(\$/AF) (h) (f/g)	(AF) (i)	(\$) (j) (hxi)
			0		0		0		0
			0		0		0		0
			0		0		0		0
			0		0		0		0
			0		0		0		0
<b>Total</b>									<b>0</b>

(1) Use number from Capital Recovery Factor Table 8

(2) From Table C-1 row (a)

**Table C-5c: Water Supplier Revenue (Vendibility) (Water anticipated to be sold by the agency from current sources.)**

Parties Purchasing Project Supplies	Average Annual Water to be Sold (AF) (1)	Selling Price (\$/AF)	Expected Frequency of Sales (%) (2)	Expected Selling Price (\$/AF)	"Option" Fee (\$/AF) (3)	Total Selling Price (\$/AF)	Annual Expected Water Sale Revenue (\$) (h) (b x g)
(a)	(b)	(c)	(d)	(e) (cxd)	(f)	(g) (e+f)	(h)
				0		0	0
				0		0	0
				0		0	0
				0		0	0
				0		0	0
<b>Total</b>							<b>0</b>

(1) From Table C-1 row (a)

(2) During the analysis period, what percentage of years are water sales expected to occur? For example, if water will only be sold half the years, enter 50% (0.5)

(3) "Option" fees are paid by a contracting agency to a selling agency to maintain the right of the contracting agency to buy water whenever needed. Although the water may not be purchased every year, the fee is usually paid every year.

**Table C-5d: Total Local Water Supply Benefits**

<b>(a) Annual Avoided Costs of Current Supply Sources (1)</b>	0
<b>(b) Annual Avoided Costs of Alternative Future Supply Sources (2)</b>	0
<b>(c) Annual Expected Water Sale Revenue (3)</b>	0
<b>(d) Total Annual Water Supply Benefit (\$) (a+b+c)</b>	0

(1) From C-5a, column (d)

(2) From C-5b, column (j)

(3) From C-5c, column (h)

**Table C-6: Local Benefit/Cost Ratio**

<b>Project Benefits (\$) (1)</b>	(a)	
<b>Project Costs (\$) (2)</b>	(b)	
<b>Benefit/Cost Ratio (3)</b>	(a/b)	

(1) From Table C-5d, row (e): Total Net Annual Water Supply Benefits

(2) From Table C-4, column (c): Total Annual Project Costs

(3) Must be less than one for the project to be eligible.

**Table C-7a: Local Unit Cost of Water Saved**

<b>Total Annual Project Costs (1)</b>	(a)		0
<b>Avg. Annual Water Saved (2)</b>	(b)		0
<b>Local Cost per AF Saved</b>	(c)	(a/b)	<b>\$0.00</b>

(1) From Table C-4, column (c): Total Annual Project Costs

(2) From Table C-1 row (a) Estimated Water Savings

From Table C-1 row (a)

**Table C-7b: Total (Local and Statewide) Unit Cost of Water Saved**

<b>Total Annual Project Costs (1)</b>	(a)		<b>\$</b>
<b>Total Annual Water Savings (2)</b>	(b)		<b>AF</b>
<b>Total Costs per AF Saved</b>	(c)	(a/b)	<b>\$/AF</b>

(1) From Table C-4, column (c): Total Annual Project Costs

(2) From Table C-1, row (c): Total Water Savings

**Table C-8: Capital Recovery Factor Table**

Life of Project (in years)	Capital Recovery Factor
7	0.1791
8	0.1610
9	0.1470
10	0.1359
11	0.1268
12	0.1193
13	0.1130
14	0.1076
15	0.1030
16	0.0990
17	0.0954
18	0.0924
19	0.0896
20	0.0872
21	0.0850
22	0.0830
23	0.0813
24	0.0797
25	0.0782
26	0.0769
27	0.0757
28	0.0746
29	0.0736
30	0.0726
31	0.0718
32	0.0710
33	0.0703
34	0.0696
35	0.0690
36	0.0684
37	0.0679
38	0.0674
39	0.0669
40	0.0665
41	0.0661
42	0.0657
43	0.0653
44	0.0650
45	0.0647
46	0.0644
47	0.0641
48	0.0639
49	0.0637
50	0.0634

**ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE****CONSIDERATION OF A RESOLUTION RECOMMENDING TO THE DEPARTMENT OF WATER RESOURCES THAT IT PROCEED WITH THE AWARD OF A GRANT TO CONTRA COSTA WATER DISTRICT TO BEGIN IMPLEMENTATION OF THE ROCK SLOUGH AND OLD RIVER WATER QUALITY IMPROVEMENT PROJECT****Agenda Item: 9B****Meeting Date: December 11, 2003**

---

**Summary:** This resolution would recommend that the Department of Water Resources proceed with awarding a grant of \$2,825,000 to Contra Costa Water District to begin implementation of the Rock Slough and Old River Water Quality Improvement Project. The project, which is identified in the CALFED Programmatic Record of Decision, will improve water quality at south Delta drinking water intakes and operational flexibility of the State Water Project and Central Valley Project.

**Recommended Action by BDPAC:** No action to be taken. BDPAC does not review individual grant proposals.

**Recommended Action by the Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-05, recommending that the Department of Water Resources proceed with the award of a grant for this water quality project.

---

**Background**

The CALFED Programmatic Record of Decision (ROD) identifies actions to control agricultural drainage, including projects on Veale and Byron tracts to reduce or relocate major sources of drainage into South Delta channels. The Rock Slough and Old River Water Quality Improvement Project helps implement the comprehensive strategy for improving drinking water quality adopted by the Bay-Delta Program's Drinking Water Quality Program (DWQP) element. The Project addresses agricultural drainage management needs on Veale and Byron Tracts, and is a directed action of the DWQP. Contra Costa Water District (CCWD) requested \$10.5 million for a package of actions that address the water quality impacts of surface and subsurface drainage from Veale Tract, Byron Tract, and an area adjacent to the Contra Costa Canal.

CCWD submitted a concept proposal for the Rock Slough and Old River Water Quality Improvement Project to the State Water Resources Control Board (SWRCB) in response to their Consolidated Request for Concept Proposals released in March 2003,

for funding from either Proposition 50 or Proposition 13 Non-point Source Pollution Control Program Funds. The DWQP partnered with the concept proposal stage of the SWRCB grant process as a vehicle for achieving formal review for the project to ensure technical merit, consistency with the ROD as a directed action, and cost-effectiveness. The concept proposal received a very favorable review by the DWQP and SWRCB review committee in July 2003. CCWD then submitted a full proposal to the CBDA and the Department of Water Resources (DWR) for consideration as a directed action. A CBDA and DWR technical panel reviewed the full proposal in November 2003.

This review determined that the parts of the proposed package of actions are ready to proceed but additional information and review is needed before reaching a funding decision on the remaining tasks. The panel recommended \$2,825,000 in funding for work on the Veale Tract drainage, Byron Tract drainage, and related tasks and that CCWD be given the opportunity to submit a revised proposal for the remaining tasks in response to the panel's comments. Specifically, the panel felt that additional supporting information was needed to adequately evaluate the tasks related to groundwater impacts on Contra Costa Canal. While the panel felt that the Contra Costa Canal project might have merit, there wasn't enough information available to the review panel on the problem and potential benefits to support a final recommendation. Staff understands that an important report on groundwater quality adjacent to the canal is now available and intends to give CCWD the opportunity to submit a revised proposal. This revised proposal will be reviewed by a technical panel and the DWQP will bring a recommendation on the remaining tasks to the Authority at its next meeting.

### **Fiscal Information**

This grant is presented to the California Bay-Delta Authority for a funding recommendation to DWR.

Funding from Chapter 9, Article 3 of Proposition 13 (Costa-Machado Water Bond Act of 2000) will be used for this grant. Funding in Section 79196.5(a) in this Article is explicitly for projects outlined in the ROD and which relocate agricultural drainage generated in the Delta to improve drinking water quality (reference Section 79190(d)(2)(B)(i)). DWR may distribute funds in the form of a grant from this sub-account in Proposition 13 for the purposes of implementing the Bay-Delta Program.

Feasibility, studies, permitting, and portions of the environmental documentation phases of the project are presently funded by DWR and the DWQP, and will be completed by March 2004. The project will be implemented within DWR's budget for south Delta projects.

**Funding Source:** Proposition 13

**Term of Grant:** January 1, 2004 to December 31, 2006

**Total Amount:** \$2,825,000

Agenda Item: 9B  
Meeting Date: December 11, 2003  
Page 3

**List of Attachments**

Resolution No. 03-12-05  
Attachment 1 – Drinking Water Quality Program Project Description

**Contact**

Sam Harader  
Acting Program Manager, Drinking Water Quality

Phone: (916) 445-5466

**Agenda Item: 9B**

**Meeting Date: December 11, 2003**

## **CALIFORNIA BAY-DELTA AUTHORITY**

### **RESOLUTION NO. 03-12-05**

**RECOMMENDING TO THE DEPARTMENT OF WATER RESOURCES THAT IT PROCEED WITH THE AWARD OF A GRANT TO CONTRA COSTA WATER DISTRICT TO BEGIN IMPLEMENTATION OF THE ROCK SLOUGH AND OLD RIVER WATER QUALITY IMPROVEMENT PROJECT**

**WHEREAS**, the Bay-Delta Program's Drinking Water Quality Program element presents a comprehensive strategy for improving drinking water quality for Delta water users and maximizing public health protection; and

**WHEREAS**, implementation of agricultural drainage management projects on Veale and Byron Tracts, as encompassed by the Rock Slough and Old River Water Quality Improvement Project, is identified in the Programmatic CALFED Record of Decision (ROD) as a method to meet the objectives of the Bay-Delta Program, and is consistent with the objectives of the Drinking Water Quality Program; and

**WHEREAS**, the Contra Costa Water District has agreed to locally manage the project for implementation expediency and, in doing so, has submitted a funding proposal to the Department of Water Resources to implement the project; and

**WHEREAS**, the project meets the funding requirements of Proposition 13 specified in Section 79190(d)(2)(B)(i) and funding exists in the Section 79196.5(a) sub-account for the purpose of implementing projects consistent with Section 79190(d)(2)(B)(i); and

**WHEREAS**, the Department of Water Resources may distribute funds in the form of a grant from the Proposition 13 sub-account for the purposes of implementing the Bay-Delta Program; and

**WHEREAS**, the Authority staff has coordinated with the State Water Resources Control Board and others to provide technical review of the proposal to ensure the project will meet ROD commitments and is technically sound and cost-effective;

**NOW, THEREFORE, BE IT RESOLVED** that the Authority recommends to the Department of Water Resources that it proceed with the award of a grant of \$2,825,000 to the Contra Costa Water District to implement the Rock Slough and Old River Water Quality Improvement Project, subject to availability of appropriated funds.



**CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Bay-Delta Authority held on December 11, 2003.

**Dated:**

**Heidi Rooks**  
**Assistant to the California Bay-Delta Authority**

**Agenda Item 9B  
Attachment 1**

**Drinking Water Quality Program Project Description**

**Rock Slough and Old River Water Quality Improvement Project**

**Grant Amount:** \$2,825,000  
**Recipient:** Contra Costa Water District

**Background:** The proposal requested \$10,497,071 for a project to implement actions associated with the Bay-Delta Program as described in the CALFED Programmatic Record of Decision (ROD), however the recommendation of the technical review panel is to approve \$2,825,000 now and defer a decision on the remainder pending a CCWD response to the technical panel's comments and additional review. The recommended funding will be used to design and complete construction of the selected actions and initiate a best management practices program for the Rock Slough and Old River Water Quality Improvement Project. Funding will also support construction-related administrative costs, including permitting, legal, and environmental documentation not covered by previous funding. Feasibility studies, permitting, and portions of the environmental documentation phases of the Project are presently funded by the Drinking Water Quality Program and DWR and will be completed by March 2004. These studies have identified high priority actions and will guide implementation of those actions as part the Project.

The actions recommended now will: 1) re-locate and/or modify existing agricultural drainage facilities discharging into Rock Slough and Old River to reduce impacts on drinking water quality; and, 2) begin implementation of a program to develop and implement a Best Management Practices (BMPs) program to achieve reductions in pollutant loads in the project area.

The proposed project actions to hydraulically isolate a portion of the Contra Costa Canal (Canal) will be revised by CCWD and resubmitted to the DWQP and DWR. The proposal is to isolate the canal from low quality shallow groundwater by replacing the open earthen canal with a closed pipeline. The additional review of the Canal project will be done on a schedule to bring a funding recommendation on this part of the Project to the Authority its next meeting (expected in February 2004). A final recommendation on full implementation of the BMPs program should wait until the planning work recommended for funding today is completed.

Funding for the agricultural drainage projects is specified in Proposition 13, Chapter 9, section 79196.5(a). A significant local cost share is proposed to complete the Project because of the intended benefits to a variety of stakeholders.

The panel recommends:

- \$2,825,000 for immediate project implementation on Veal and Byron Tracts
- further review of the \$7,322,000 requested for the Canal project with a funding recommendation ready by the February 2004 Authority meeting
- Defer a decision on \$400,000 requested for BMP program implementation until an implementation work plan is completed.

**Agenda Item 9B  
Attachment 1**

**Drinking Water Quality Program Project Description**

**Rock Slough and Old River Water Quality Improvement Project**

**Grant Amount:** \$2,825,000  
**Recipient:** Contra Costa Water District

**Background:** The proposal requested \$10,497,071 for a project to implement actions associated with the Bay-Delta Program as described in the CALFED Programmatic Record of Decision (ROD), however the recommendation of the technical review panel is to approve \$2,825,000 now and defer a decision on the remainder pending a CCWD response to the technical panel's comments and additional review. The recommended funding will be used to design and complete construction of the selected actions and initiate a best management practices program for the Rock Slough and Old River Water Quality Improvement Project. Funding will also support construction-related administrative costs, including permitting, legal, and environmental documentation not covered by previous funding. Feasibility studies, permitting, and portions of the environmental documentation phases of the Project are presently funded by the Drinking Water Quality Program and DWR and will be completed by March 2004. These studies have identified high priority actions and will guide implementation of those actions as part the Project.

The actions recommended now will: 1) re-locate and/or modify existing agricultural drainage facilities discharging into Rock Slough and Old River to reduce impacts on drinking water quality; and, 2) begin implementation of a program to develop and implement a Best Management Practices (BMPs) program to achieve reductions in pollutant loads in the project area.

The proposed project actions to hydraulically isolate a portion of the Contra Costa Canal (Canal) will be revised by CCWD and resubmitted to the DWQP and DWR. The proposal is to isolate the canal from low quality shallow groundwater by replacing the open earthen canal with a closed pipeline. The additional review of the Canal project will be done on a schedule to bring a funding recommendation on this part of the Project to the Authority its next meeting (expected in February 2004). A final recommendation on full implementation of the BMPs program should wait until the planning work recommended for funding today is completed.

Funding for the agricultural drainage projects is specified in Proposition 13, Chapter 9, section 79196.5(a). A significant local cost share is proposed to complete the Project because of the intended benefits to a variety of stakeholders.

The panel recommends:

- \$2,825,000 for immediate project implementation on Veal and Byron Tracts
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- Defer a decision on \$400,000 requested for BMP program implementation until an implementation work plan is completed.



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## ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE

### CONSIDERATION OF A RESOLUTION RECOMMENDING TO THE DEPARTMENT OF WATER RESOURCES THAT IT PROCEED WITH THE AWARD OF GROUNDWATER STORAGE GRANTS AND GROUNDWATER RECHARGE LOANS

**Agenda Item: 9C**

**Meeting Date: December 11, 2003**

---

**Summary:** This resolution would recommend that the Department of Water Resources proceed with the award of Proposition 13 and Proposition 50 funds for groundwater storage grants and groundwater recharge loans to specified local agency projects.

**Recommended Action by BDPAC:** No action to be taken. BDPAC does not review specific grant and loan proposals.

**Recommended Action by the Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-06 recommending that the Department of Water Resources proceed with specified groundwater storage grants and groundwater recharge loan awards.

---

#### **Background**

The CALFED Programmatic Record of Decision identifies actions to increase the amount of groundwater storage by 500,000 to 1 million acre-feet. This storage becomes operational through the coordinated use of groundwater and surface water resources, known as conjunctive use or conjunctive management. The Department of Water Resources (DWR) implements the Groundwater Storage element through a number of coordinated activities, including: 1) award of grants under Proposition 13 and Proposition 50 to fund construction of conjunctive use and groundwater recharge facilities, 2) award of grants to local agencies under the Local Groundwater Assistance Act of 2000 to conduct groundwater studies and improve groundwater monitoring and management, and 3) forming partnerships with and providing technical, financial, and facilitation assistance to local and regional agencies for the development of conjunctive use projects and programs that will improve water supply reliability.

Proposition 13 provided \$200 million for groundwater storage grants and \$30 million for groundwater recharge loans. During two previous solicitation and funding cycles, DWR awarded over \$120 million to fund 18 construction projects and 28 pilot and feasibility

studies. The proponent's estimates of the increased water supply yield from the construction projects exceed 200,000 acre-feet annually.

Forty-three applications requesting \$255 million in funding were submitted in June 2003 under the Groundwater Storage Program (Attachment 1). Two applications for loans, requesting \$8.4 million, were submitted. In this, the final round of funding, only \$77.3 million in grant and \$8.7 million in loan funds are available from Proposition 13. Submitted proposals were evaluated on a set of objective criteria (Attachment 2) and competitively scored. In both development of the grant application criteria and the selection of projects, DWR considered input from the Conjunctive Use Advisory Committee, as required under the Bond Law, from the public, and from other Program agencies.

Proposition 50, Chapter 7 (Water Code Section 79550(d)), provides funding for "water supply reliability projects that can be implemented expeditiously and thereby provide near-term benefits, including, but not limited to, projects that facilitate groundwater management and storage, water transfers, and acquisition of water for the CALFED environmental water account." Under the Integrated Regional Water Management Program of Proposition 50, Water Code Section 79561.5(a) specifies that, "the department shall allocate the sum of not less than twenty million dollars (\$20,000,000) to competitive grants for groundwater management and recharge projects." The provisions of Proposition 50, with respect to groundwater recharge and storage, are consistent with the process used to select projects for funding under Proposition 13. Augmenting Proposition 13 funds with Proposition 50 funds will ensure that proposed projects can move forward and also begin to disburse Proposition 50 funds to worthy projects in an expedited manner.

DWR staff recommend funding for grants of Proposition 13 and Proposition 50 funding, and for loans of Proposition 13 funds. Based on the project proponent's estimates, the projects proposed for funding would provide over 150,000 acre-feet of new water supply yield annually. These projects will also provide multiple other benefits, including water for EWA, water to meet Bay-Delta water quality objectives, water quality improvements, control of seawater intrusion, in-stream flows for fisheries, and creation of wetland habitat.

### **Fiscal Information**

These grants and loans are presented to the California Bay-Delta Authority for a funding recommendation to DWR.

**Funding Source:** DWR Proposition 13 Groundwater Storage Grants  
**Total Amount:** \$77,336,664

**Funding Source:** DWR Proposition 13 Groundwater Recharge Loans  
**Total Amount:** \$8,400,000

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**Funding Source:** DWR Proposition 50 Integrated Regional Water Management Grants  
**Total Amount:** \$10,000,000

**Funding Source:** California Bay-Delta Authority Water Supply Reliability Grants  
**Total Amount:** \$1,360,000 from Proposition 50, Chapter 7d

**List of Attachments**

Resolution No. 03-12-06  
Attachment 1 - List of Submitted Projects for Groundwater Storage and Recharge  
Grants and Loans  
Attachment 2 - Ranking Criteria for Groundwater Storage Program  
Attachment 3 - Proposed Grant and Loan Awards

**Contact**

John Woodling  
Department of Water Resources

Phone: (916) 651-9291

**Agenda Item: 9C**  
**Meeting Date: December 11, 2003**

**CALIFORNIA BAY-DELTA AUTHORITY**  
**RESOLUTION NO. 03-12-06**

**RECOMMENDING TO THE DEPARTMENT OF WATER RESOURCES THAT IT PROCEED  
WITH THE AWARD OF GROUNDWATER STORAGE GRANTS AND GROUNDWATER  
RECHARGE LOANS**

**WHEREAS**, the California Bay-Delta Authority is statutorily authorized to conduct oversight and coordination related to the Bay-Delta Program; and

**WHEREAS**, the CALFED Programmatic Record of Decision (ROD) established that one goal of the Storage Program is to facilitate local agency implementation of 500,000 to 1 million acre-feet of new groundwater storage; and

**WHEREAS**, Proposition 13 (Water Code Section 79000 et seq) authorizes the Department of Water Resources to award grants and loans for groundwater storage and groundwater recharge projects proposed by local agencies; and

**WHEREAS**, Proposition 50 (Water Code Section 79500 et seq) authorizes the Department of Water Resources to award grants for groundwater storage and groundwater recharge projects proposed by local agencies; and

**WHEREAS**, the intent of Proposition 50 with respect to groundwater storage and groundwater recharge is consistent with the process used to select projects for Proposition 13 funding; and

**WHEREAS**, the Department of Water Resources, through its solicitation and funding process, recommends funding for specified groundwater storage grants and groundwater recharge loans, which will help to further the goals and objectives of the ROD relating to increased groundwater storage;

**NOW, THEREFORE, BE IT RESOLVED** that the California Bay-Delta Authority recommends to the Department of Water Resources that it proceed with the award of groundwater storage grants and groundwater recharge loans to the projects identified in Attachment 3, subject to availability of appropriated funds.

**CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Bay-Delta Authority held on December 11, 2003.

**Dated:**

**Heidi Rooks**  
**Assistant to the California Bay-Delta Authority**

**Agenda Item 9D  
Attachment 1**

**Ecosystem Restoration Project Descriptions**

**1. *Mercury and Methylmercury Processes in North San Francisco Bay Tidal Wetland Ecosystem***

**Grant Amount:** \$1,656,569

**Recipient:** San Francisco Estuary Institute

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$1.66 million to investigate mercury cycling in the Petaluma River's tidal wetlands, with emphasis on quantifying and understanding processes that influence the abundance of methylmercury, the highly toxic form that accumulates in organisms, biomagnifying to high concentrations in organisms atop aquatic food webs. The Selection Panel recommends full funding of the project.

Understanding mercury cycles in tidal wetlands will contribute to the Ecosystem Restoration Program's (ERP) goal of ensuring that ecosystem restoration is not threatened by degraded water or sediment quality. Mercury discharged during the Gold Rush and from abandoned mines contaminates sediments in parts of the Bay-Delta ecosystem. When marsh restorations or other actions flood these sediments, the mercury may be transformed into the more toxic methylmercury form. This study will improve understanding of how this transformation occurs, the amount of contaminants released, and their impacts on marsh-dwelling clapper rails, so that restoration projects' effects on methylmercury levels can be better anticipated and, ultimately, minimized.

The project implements a recommendation of a mercury research and remediation strategy being developed for the ERP. Independent experts gave the proposal generally high marks. No public comments were received on it.

California Bay-Delta Authority (CBDA) staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

**2. *Mercury in San Francisco Bay-Delta Birds: Trophic Pathways, Bioaccumulation and Ecotoxicological Risk to Avian Reproduction***

**Grant Amount:** \$5,337,012

**Recipient:** U.S. Fish and Wildlife Service

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$5.34 million to investigate the bioaccumulation of methylmercury in birds and its effects on their reproduction. The Selection Panel recommends full funding of the project.



Understanding how mercury affects birds that live in the Delta and Bay will contribute to the ERP's goal of ensuring that degraded water or sediment quality does not threaten ecosystem restoration. Rare species, like rails, and some waterfowl, such as scoters and other sea ducks, in the Bay-Delta have elevated mercury levels. This study will assess whether this contamination is harming the birds' reproduction. Its results can guide cleanup priorities and influence the design of projects that might release contaminants or attract birds to contaminated areas.

Independent experts gave the proposal very favorable reviews. No public comments were received on it.

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

3. *Monitoring and Investigations of the San Joaquin River and Tributaries Related to Dissolved Oxygen*

**Grant Amount:** \$6,807,428

**Recipient:** San Joaquin Valley Drainage Authority

**Funding Source:** Prop. 13 Bay-Delta Multipurpose Water Management Sub-account

**Background:** The proposal seeks \$6,886,960 to investigate the sources and fate of oxygen-consuming materials in the San Joaquin River. Low levels of oxygen there, especially in the summer and fall, block migrating salmon and harm other aquatic life.

The project will help in the development of actions to improve dissolved oxygen conditions in the San Joaquin River near Stockton, an action identified in the CALFED Programmatic Record of Decision. By identifying the sources of oxygen-demanding substances that flow into the river from its watershed, the study can help in prioritizing projects to control waste discharges that contribute to these low oxygen levels. They are eligible for funding from Proposition 13, the Water Bond of 1999.

Technical reviewers rated the project good to excellent, but also pointed out tasks they recommended either be strengthened or, in one case, postponed. Comments from Delta Keeper, the Natural Resources Defense Council, the Central Delta Water Agency, and others criticized the proposal for failing to investigate how changes in river flows may affect the river's oxygen levels. Delta Keeper also raised several concerns about the proposal's development and technical merit. The Selection Panel notes the study will gather and evaluate information that those responsible for various activities that affect San Joaquin River flow and water quality can use to evaluate their effects and develop required mitigation measures, but that further evaluations of flows' impacts on water quality are beyond the study's scope. A grant condition is recommended to address Delta Keepers' remarks.

The Selection Panel recommends partially funding the project by providing \$6.8 million, subject to these conditions, which address recommendations of technical reviewers and commenting organizations and agencies.

- Quality Assurance Project Plan (Task 3): For each project task the Quality Assurance Project Plan (QAPP) should describe sample collection and handling methods and specific data integration and analysis tasks. The specific steps for coordinating data collection tasks for Tasks 4 and 7 should be described in the QAPP. The QAPP should also describe the sampling strategies needed to account for hydrologic variability. ERP staff should review and approve the QAPP.
- Monitoring Program (Task 4): Add bi-weekly sampling during the winter months at the 21 year-round sampling stations as described in Task 4.2. In addition, the applicant should add one additional sampling location between Mossdale and Channel Point. The Selection Panel understands the precise location of this sampling station cannot be immediately determined and will depend on flow conditions, navigation requirements, location of nearby outfalls, and right-of-way issues. ERP staff should approve the location of the new sampling station. In addition, ERP staff should ensure that this task provides for evaluation of UCD's and USGS's data and its use in refining the study's monitoring program.
- Independent Measurement of Constants Used in Algal Growth Models of Importance to the Load Allocation Process (Task 5). Eliminate this task from this scope of work, but consider submitting a new proposal after significant progress on Task 4 and further study of zooplankton and benthic grazing.
- River Modeling (Task 6): The Selection Panel is aware that subtasks within Task 6 overlap somewhat with modeling tasks identified in the Scope of Work for *San Joaquin River Dissolved Oxygen Depletion Modeling*(HydroQual, Inc.). ERP staff should work with the applicant and HydroQual, Inc. to identify potential overlap and as appropriate, eliminate subtasks and reduce the budget for Task 6.
- Linking the SJR to the DWSC (Task 8): ERP staff should work with the applicant to add an assessment of zooplankton and benthic grazing between Vernalis and Channel Point within the scope of Task 8. This study will help determine if grazing is responsible for a significant loss of algae in this area.

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

4. *Implementing a Collaborative Approach to Quantifying Ecosystem Flow Regime Needs for the Sacramento River*

**Grant Amount:** \$1,500,000

**Recipient:** The Nature Conservancy

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$1.5 million to study flows that can restore the Sacramento River's ecosystems. Information about how flows affect the river's ecological functions, including information from North of Delta Storage (NODOS) studies, will be compiled and presented to stakeholders, including NODOS technical advisory group members, who will recommend objectives for flow-related river functions. A decision analysis tool that assesses how differing flows may affect these functions will be developed, too. Researchers will also investigate how river flows and channel conditions affect key ecosystem functions, including sediment transport, channel meanders, and the growth of riverside forests. River flow and ecosystem models informed by this research and by the decision tool will then be used to evaluate how well different flow regimes aid in meeting ecosystem objectives. The results will be presented to stakeholders and others in a series of workshops.

This project can provide a basis for identifying flows that can promote ecosystem functions and support other restoration actions. Results could be used to help identify ecosystem water needs that may be affected by reservoir operations or new north of Delta storage projects.

Technical reviewers rated the project as excellent. The Sacramento River Conservation Area (SRCA) Forum commented that the project is consistent with the SRCA handbook and that it would benefit evaluations of water transfers, off-stream storage, and flood management. The Northern California Water Association (NCWA) expressed concern that the project paid too little attention to how existing water rights and contracts may constrain alternative flow regimes. They also expressed concern about the evaluation of flow regimes in a venue outside the NODOS, worrying that The Nature Conservancy (TNC) could appear as a biased leader of this study because of its desire to rely on winter flooding and sediment deposition to help restore the Sacramento River's riparian habitats. Opponents of new, off-stream surface water storage projects may use this study, NCWA implies, to argue that diverting the Sacramento seasonal high water flows into NODOS will harm river ecosystems.

The Selection Panel recommends funding the project with a condition requiring its coordination with the North of Delta storage team and the Sacramento River Conservation Area Forum, including prompt reports to the Ecosystem Restoration Program if significant disagreements arise between TNC and these agencies about the project. The panel believes this condition will assure adequate cooperation between TNC and these efforts, while allowing the study to proceed under a study team that reviewers characterized as "extremely highly qualified," "highly capable," and "experts in their fields."

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

**Agenda Item 9C  
Attachment 2**

**Ranking Criteria**

<b>Criteria</b>	<b>High (5)</b>	<b>M/H (4)</b>	<b>Medium (3)</b>	<b>M/L (2)</b>	<b>Low (1)</b>	<b>Weight</b>	<b>Total</b>
H-1. Need for the project						1	
H-2. Unit cost of water produced						2	
H-3. Basin-wide planning						1	
H-4. Groundwater management program						1	
H-5. Readiness to proceed						1	
H-6. Applicant or third-party funding						1	
H-7. Economic efficiency						1	
H-8. Environmental benefits						2	
H-9. Adequacy of supporting documentation						2	
<b>TOTAL SCORE</b>							
<b>Maximum Possible Score</b>							60

**Agenda Item 9C**  
**Attachment 3**

**Proposed Grant and Loan Awards**

**GRANTS**

- To the Arvin-Edison Water Storage District for the *Arvin-Edison Water Storage District Multi-Benefit Groundwater Storage Expansion Project* (\$2,000,000).
- To the Butte Water District for the *Butte Water District Conjunctive Management Project* (\$1,397,149).
- To the East Bay Municipal Utility District for the *Bayside Groundwater Project* (\$3,273,000).
- To the Eastern Municipal Water District for the *Hemet/San Jacinto Recharge and Recovery Program* (\$4,397,750).
- To the Fresno Irrigation District for the *Waldron Banking Facility* (\$4,615,072).
- To the Golden Hills Community Services District for the *Antelope Groundwater Storage and Conjunctive Water Use Project to Provide Reliable Safe Drinking Water to the Golden Hills Community* (\$740,500).
- To the Inland Empire Utilities Agency for the *Chino Basin Conjunctive Use Expansion Program* (\$15,000,000).
- To the Kern Delta Water District for the *Kern Delta Water District Westside Groundwater Storage Project* (\$5,177,950).
- To the Kings River Conservation District for the *Alta Irrigation District Coordinated Groundwater Storage Project* (\$2,737,753).
- To the Los Angeles County Department of Public Works for the *Big Tujunga – San Fernando Basin Groundwater Storage Enhancement Project* (\$5,809,250).
- To the Lower Tule River Irrigation District for the *Water Supply Enhancement Program* (\$700,000).
- To the Pajaro Valley Water Management Agency for the *Pajaro Valley Water Management Agency Basin Management Program* (\$28,636,713).
- To the Stockton East Water District for the *Farmington Groundwater Storage Program – Phase I: Peters Pipeline Project* (\$3,700,630).
- To the Sutter Extension Water District for the *Sutter Extension Water District Conjunctive Management Program* (\$1,510,897).
- To the West Basin Municipal Water District for the *Seawater Barrier Water Conservation Project* (\$9,000,000).

**LOANS**

- To the Monte Vista Water District for the *Monte Vista Water District Aquifer Storage and Recovery Program* (\$3,400,000).
- To the Semitropic Water Storage District for the *Pond-Poso Improvement District: P-1030 Distribution System* (\$5,000,000).



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Sacramento, CA 95814  
916.445.5511 FAX 916.445.7297  
<http://calwater.ca.gov>

## **ANNUAL JOINT MEETING WITH BAY-DELTA PUBLIC ADVISORY COMMITTEE**

### **CONSIDERATION OF A RESOLUTION APPROVING ECOSYSTEM RESTORATION PROGRAM GRANTS AND AUTHORIZING THE DIRECTOR, OR DESIGNEE TO PROCESS THE APPROVED GRANTS**

**Agenda Item: 9D**

**Meeting Date: December 11, 2003**

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**Summary:** This resolution would approve four grants for Ecosystem Restoration Projects, totaling \$15,301,009.

**Recommended Action by BDPAC:** No action to be taken. BDPAC does not review specific grant proposals.

**Recommended Action by Authority:** Staff recommends that the Authority adopt the attached Resolution No. 03-12-07, approving grants for four projects that further the Ecosystem Restoration Program, finding that each of the four projects are exempt from CEQA compliance, and authorizing the director, or designee, to process the approved grants. The four projects these grants will support are described in the attachment to this staff report.

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### **Background**

The CALFED Programmatic Record of Decision (ROD) identified numerous potential actions to achieve its ecosystem quality objective, including research to provide information needed to better define problems and to improve restoration approaches. The Ecosystem Restoration Program (ERP) is continuing its review of ecosystem research and restoration projects seeking funds from the Authority. Four are being presented for action today.

Three of these – two mercury research proposals and a study of how Sacramento River flows may influence habitat restoration opportunities — were initially submitted in response to the ERP's 2002 Proposal Solicitation Packages. They were not selected for funding then, but the Selection Panel recognized they were potentially high priority projects and recommended they be reconsidered after the proposals were revised to correct shortcomings identified during their review. Revised proposals for these were resubmitted, have been favorably reviewed by independent technical experts, offered for public comment by local governments and other stakeholders, and are recommended for approval by the Selection Panel. A fourth project to investigate the

sources and fate of oxygen-consuming materials in the San Joaquin River originates from the ongoing work of the ERP, the Central Valley Regional Water Quality Control Board, and other stakeholders to address the low dissolved levels in the deep water ship channel at Stockton. It too has been reviewed by independent technical experts, was offered for public comment by local governments and other stakeholders, and is recommended for approval by the Selection Panel.

The attachment to this staff report describes each project, how it helps achieve the ERP's goals, the reasons for the Selection Panel's funding recommendation, and important issues raised by agency and public comments on the proposal. Authority staff has evaluated each project and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to the regulatory Class 6 exemption for information collection and research. The full proposals, their reviews, and public and agency comments on them are on-line at:

<http://calwater.ca.gov/Programs/EcosystemRestoration/Ecosystem2002DirectedActions.html>.

The Bay-Delta Authority Act specifies that the Authority may disburse funds through grants (Water Code § 79420(a)(6)). These grant proposals are being recommended for funding based on the following selection criteria:

- The grant proposal is for an eligible project within the meaning of Proposition 204 (Water Code, § 78684) because it is a project or program, or an element of a project or program, intended to improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta ecosystem, or is eligible for funding from Proposition 13's Bay-Delta Multipurpose Water Management Program (Water Code, §79190 et. seq.).
- The grant proposal meets the goals and objectives of the Bay-Delta Program.
- The grant proposal meets the detailed specifications contained in the 2002 Proposal Solicitation Package or the draft Stage 1 Implementation Plan and adequately addresses comments made by the Selection Panel.

Recommendations about grants for up to five remaining proposals submitted in response to the 2002 PSP and being revised at the Selection Panel's recommendation will be presented to the Authority early next year.

### **Fiscal Information**

These grants are being presented to the California Bay-Delta Authority for approval of funding. Between 1997 and 2002, the CALFED Bay-Delta Program staff assisted the

Resources Agency in its expenditure of Proposition 204 restoration funds for CALFED-related ecosystem projects. In the California Bay-Delta Authority's fiscal year 2003/2004 budget, the Authority received \$48,531,000 from Proposition 204's Bay-Delta Ecosystem Restoration Account (Water Code, § 78684.6) and authorization to expend \$10,000,000 from Proposition 13's Bay-Delta Multipurpose Water Management Sub-account (Water Code, §79199 et. seq.) Accordingly, the Authority has approval

responsibility for these funds in its budget and is being asked to make the final funding decisions for these grants.

**Funding Source:** Proposition 204  
**Term of Grant:** Grants may extend up to 3 years  
**Total Amount:** \$8,493,581

**Funding Source:** Proposition 13  
**Term of Grant:** Grant may extend up to 3 years  
**Total Amount:** \$6,807,428

#### **List of Attachments**

Resolution No. 03-12-07  
Attachment 1 – Ecosystem Restoration Project Descriptions  
Attachment 2 – 2002 Proposal Review and Selection Process

#### **Contact**

Dan Castleberry  
Deputy Director, Ecosystem Restoration

Phone: (916) 445-0769



**Agenda Item: 9D**

**Meeting Date: December 11, 2003**

**CALIFORNIA BAY-DELTA AUTHORITY  
RESOLUTION NO. 03-12-07**

**APPROVING ECOSYSTEM RESTORATION PROGRAM GRANTS AND  
AUTHORIZING THE DIRECTOR, OR DESIGNEE, TO PROCESS THE APPROVED  
GRANTS**

**WHEREAS**, the Ecosystem Restoration Program presents a comprehensive vision for improving and increasing aquatic and terrestrial habitats and improving ecological functions in the Bay-Delta Ecosystem; and

**WHEREAS**, those State and Federal agencies with Bay-Delta Program restoration funds have coordinated their efforts to solicit for, and select, the best projects to implement the Ecosystem Restoration Program, previously with the assistance of the staff from the CALFED Bay-Delta Program, and now with assistance of the staff from the California Bay-Delta Authority; and

**WHEREAS**, with the transition of Bay-Delta Program responsibilities into the new Authority, the Authority has received an appropriation of Proposition 204 Bay-Delta Ecosystem Restoration Account funds in its fiscal year 2003/2004 budget, and an allocation of Proposition 13's Bay-Delta Multipurpose Water Management Sub-account funds; and

**WHEREAS**, the Authority may distribute funds through grants; and

**WHEREAS**, the four proposals listed below constitute eligible projects for purposes of receiving Proposition 204 Bay-Delta Ecosystem Restoration Account funds or Proposition 13 Bay-Delta Multipurpose Water Management Sub-account funds; and

**WHEREAS**, the four proposals listed below meet the objectives of the Bay-Delta Program; and

**WHEREAS**, approval of these four grant proposals shall be conditioned upon each grantee complying with all applicable laws and regulations;

**NOW, THEREFORE, BE IT RESOLVED** that the Authority finds that each of the grants for research projects listed below are exempt from CEQA and hereby approves grants to these projects, and authorizes the Director, or his designee, to process the approved grants, subject to the availability of appropriated funds:

- \$1,656,569 to the San Francisco Estuary Institute for its project *Mercury and Methylmercury Processes in North San Francisco Bay Tidal Wetland Ecosystem*.

- \$6,807,428 to the San Joaquin Valley Drainage Authority for its project *Monitoring and Investigations of the San Joaquin River and Tributaries Related to Dissolved Oxygen*, subject to the conditions recommended by the Selection Panel.
- \$1,500,000 to The Nature Conservancy for its project *Implementing a Collaborative Approach to Quantifying Ecosystem Flow Regime Needs for the Sacramento River*, subject to the conditions recommended by the Selection Panel.
- \$5,337,012 to the U.S. Fish and Wildlife Service for its project *Mercury in San Francisco Bay-Delta Birds: Trophic Pathways, Bioaccumulation and Ecotoxicological Risk to Avian Reproduction*.

## **CERTIFICATION**

The undersigned Assistant to the California Bay-Delta Authority does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Bay-Delta Authority held on December 11, 2003.

**Dated:**

**Heidi Rooks**  
**Assistant to the California Bay-Delta Authority**

**Agenda Item 9D  
Attachment 1**

**Ecosystem Restoration Project Descriptions**

**1. *Mercury and Methylmercury Processes in North San Francisco Bay Tidal Wetland Ecosystem***

**Grant Amount:** \$1,656,569

**Recipient:** San Francisco Estuary Institute

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$1.66 million to investigate mercury cycling in the Petaluma River's tidal wetlands, with emphasis on quantifying and understanding processes that influence the abundance of methylmercury, the highly toxic form that accumulates in organisms, biomagnifying to high concentrations in organisms atop aquatic food webs. The Selection Panel recommends full funding of the project.

Understanding mercury cycles in tidal wetlands will contribute to the Ecosystem Restoration Program's (ERP) goal of ensuring that ecosystem restoration is not threatened by degraded water or sediment quality. Mercury discharged during the Gold Rush and from abandoned mines contaminates sediments in parts of the Bay-Delta ecosystem. When marsh restorations or other actions flood these sediments, the mercury may be transformed into the more toxic methylmercury form. This study will improve understanding of how this transformation occurs, the amount of contaminants released, and their impacts on marsh-dwelling clapper rails, so that restoration projects' effects on methylmercury levels can be better anticipated and, ultimately, minimized.

The project implements a recommendation of a mercury research and remediation strategy being developed for the ERP. Independent experts gave the proposal generally high marks. No public comments were received on it.

California Bay-Delta Authority (CBDA) staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

**2. *Mercury in San Francisco Bay-Delta Birds: Trophic Pathways, Bioaccumulation and Ecotoxicological Risk to Avian Reproduction***

**Grant Amount:** \$5,337,012

**Recipient:** U.S. Fish and Wildlife Service

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$5.34 million to investigate the bioaccumulation of methylmercury in birds and its effects on their reproduction. The Selection Panel recommends full funding of the project.

Understanding how mercury affects birds that live in the Delta and Bay will contribute to the ERP's goal of ensuring that degraded water or sediment quality does not threaten ecosystem restoration. Rare species, like rails, and some waterfowl, such as scoters and other sea ducks, in the Bay-Delta have elevated mercury levels. This study will assess whether this contamination is harming the birds' reproduction. Its results can guide cleanup priorities and influence the design of projects that might release contaminants or attract birds to contaminated areas.

Independent experts gave the proposal very favorable reviews. No public comments were received on it.

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

3. *Monitoring and Investigations of the San Joaquin River and Tributaries Related to Dissolved Oxygen*

**Grant Amount:** \$6,807,428

**Recipient:** San Joaquin Valley Drainage Authority

**Funding Source:** Prop. 13 Bay-Delta Multipurpose Water Management Sub-account

**Background:** The proposal seeks \$6,886,960 to investigate the sources and fate of oxygen-consuming materials in the San Joaquin River. Low levels of oxygen there, especially in the summer and fall, block migrating salmon and harm other aquatic life.

The project will help in the development of actions to improve dissolved oxygen conditions in the San Joaquin River near Stockton, an action identified in the CALFED Programmatic Record of Decision. By identifying the sources of oxygen-demanding substances that flow into the river from its watershed, the study can help in prioritizing projects to control waste discharges that contribute to these low oxygen levels. They are eligible for funding from Proposition 13, the Water Bond of 1999.

Technical reviewers rated the project good to excellent, but also pointed out tasks they recommended either be strengthened or, in one case, postponed. Comments from Delta Keeper, the Natural Resources Defense Council, the Central Delta Water Agency, and others criticized the proposal for failing to investigate how changes in river flows may affect the river's oxygen levels. Delta Keeper also raised several concerns about the proposal's development and technical merit. The Selection Panel notes the study will gather and evaluate information that those responsible for various activities that affect San Joaquin River flow and water quality can use to evaluate their effects and develop required mitigation measures, but that further evaluations of flows' impacts on water quality are beyond the study's scope. A grant condition is recommended to address Delta Keepers' remarks.

The Selection Panel recommends partially funding the project by providing \$6.8 million, subject to these conditions, which address recommendations of technical reviewers and commenting organizations and agencies.

- Quality Assurance Project Plan (Task 3): For each project task the Quality Assurance Project Plan (QAPP) should describe sample collection and handling methods and specific data integration and analysis tasks. The specific steps for coordinating data collection tasks for Tasks 4 and 7 should be described in the QAPP. The QAPP should also describe the sampling strategies needed to account for hydrologic variability. ERP staff should review and approve the QAPP.
- Monitoring Program (Task 4): Add bi-weekly sampling during the winter months at the 21 year-round sampling stations as described in Task 4.2. In addition, the applicant should add one additional sampling location between Mossdale and Channel Point. The Selection Panel understands the precise location of this sampling station cannot be immediately determined and will depend on flow conditions, navigation requirements, location of nearby outfalls, and right-of-way issues. ERP staff should approve the location of the new sampling station. In addition, ERP staff should ensure that this task provides for evaluation of UCD's and USGS's data and its use in refining the study's monitoring program.
- Independent Measurement of Constants Used in Algal Growth Models of Importance to the Load Allocation Process (Task 5). Eliminate this task from this scope of work, but consider submitting a new proposal after significant progress on Task 4 and further study of zooplankton and benthic grazing.
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- Linking the SJR to the DWSC (Task 8): ERP staff should work with the applicant to add an assessment of zooplankton and benthic grazing between Vernalis and Channel Point within the scope of Task 8. This study will help determine if grazing is responsible for a significant loss of algae in this area.

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

4. *Implementing a Collaborative Approach to Quantifying Ecosystem Flow Regime Needs for the Sacramento River*

**Grant Amount:** \$1,500,000

**Recipient:** The Nature Conservancy

**Funding Source:** Prop. 204 Bay-Delta Ecosystem Restoration Account

**Background:** The proposal seeks \$1.5 million to study flows that can restore the Sacramento River's ecosystems. Information about how flows affect the river's ecological functions, including information from North of Delta Storage (NODOS) studies, will be compiled and presented to stakeholders, including NODOS technical advisory group members, who will recommend objectives for flow-related river functions. A decision analysis tool that assesses how differing flows may affect these functions will be developed, too. Researchers will also investigate how river flows and channel conditions affect key ecosystem functions, including sediment transport, channel meanders, and the growth of riverside forests. River flow and ecosystem models informed by this research and by the decision tool will then be used to evaluate how well different flow regimes aid in meeting ecosystem objectives. The results will be presented to stakeholders and others in a series of workshops.

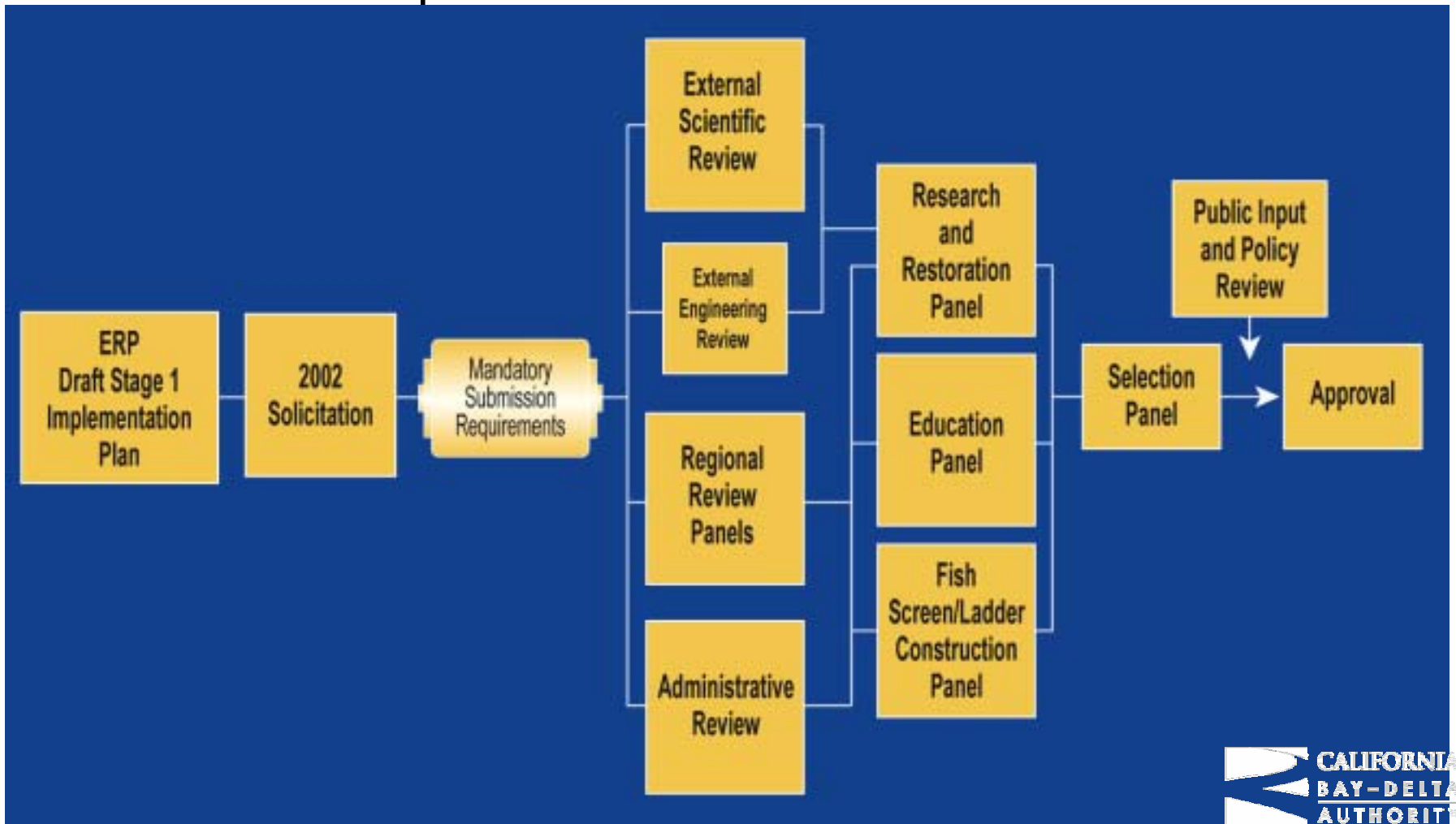
This project can provide a basis for identifying flows that can promote ecosystem functions and support other restoration actions. Results could be used to help identify ecosystem water needs that may be affected by reservoir operations or new north of Delta storage projects.

Technical reviewers rated the project as excellent. The Sacramento River Conservation Area (SRCA) Forum commented that the project is consistent with the SRCA handbook and that it would benefit evaluations of water transfers, off-stream storage, and flood management. The Northern California Water Association (NCWA) expressed concern that the project paid too little attention to how existing water rights and contracts may constrain alternative flow regimes. They also expressed concern about the evaluation of flow regimes in a venue outside the NODOS, worrying that The Nature Conservancy (TNC) could appear as a biased leader of this study because of its desire to rely on winter flooding and sediment deposition to help restore the Sacramento River's riparian habitats. Opponents of new, off-stream surface water storage projects may use this study, NCWA implies, to argue that diverting the Sacramento seasonal high water flows into NODOS will harm river ecosystems.

The Selection Panel recommends funding the project with a condition requiring its coordination with the North of Delta storage team and the Sacramento River Conservation Area Forum, including prompt reports to the Ecosystem Restoration Program if significant disagreements arise between TNC and these agencies about the project. The panel believes this condition will assure adequate cooperation between TNC and these efforts, while allowing the study to proceed under a study team that reviewers characterized as "extremely highly qualified," "highly capable," and "experts in their fields."

CBDA staff has evaluated the proposal and determined that the grant of funds to support the research work is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15306, the Class 6 Exemption for information collection and research.

Agenda Item 9D  
Attachment 2  
Ecosystem Restoration  
2002 Proposal Review and Selection Process



**CALFED Bay-Delta Public Advisory Committee**  
**Thursday, September 11, 2003**  
**9:00 a.m. to 3:30 p.m.**  
**California Bay-Delta Authority**  
**Bay-Delta Room**  
**650 Capitol Mall, Fifth Floor**  
**Sacramento, California**

**Draft Meeting Summary**

**Members in attendance:** Gary Bobker, Denny Bungarz, Christopher Cabaldon, Marci Coglianese, Martha Davis, Greg Gartrell, Joseph Grindstaff, David Guy, Steve Hall, Gary Hunt, Leslie Lohse, Robert Meacher, Jerry Meral, Dan Nelson, Bill Pauli, Mike Rippey, Tim Quinn, O.L. "Van" Tenney, Frances Spivy-Weber, Marguerite Young, Tom Zuckerman

**1. Opening Remarks/Introductions**

Chair Gary Hunt opened the meeting and welcomed comments from Secretary for Resources Mary Nichols and Jason Peltier (U.S. Department of the Interior). Mr. Peltier announced that representatives of the Federal agencies are expected to meet at the White House in the next three weeks. Secretary Nichols summarized progress on the Colorado River Quantified Settlement Agreement as agreed to by the four water agencies and expected approval of three legislative bills. Chair Hunt also led the Committee in a moment of silence in remembrance of the victims of the September 11, 2001 disaster.

**2. Staff Reports**

Authority Director Patrick Wright provided recent Bay-Delta Program highlights including a review of major outcomes of the August 14, 2003, Bay-Delta Authority meeting. He noted that the agenda for the joint meeting of the Authority and Committee, on December 11, 2003, would likely include the In-Delta Storage project, Environmental Water Account, and South Delta Improvements Actions.

**3. Bay-Delta Program Plans Follow-Up (*Action Item*)**

The staff recommended approval of this administrative item to allow the Federal participating agencies to accept subcommittee recommendations contained in the Plans. Discussion noted that actions in the Plans are contingent on adequate resources and that the purpose of storage studies is to develop the information needed for informed decisions on projects to be built.

***Action***

The Committee unanimously approved the Program Plans.



#### **4. Subcommittee Reports (*Action Item*)**

Greg Gartrell and Marguerite Young (Drinking Water Subcommittee co-chairs) presented the Subcommittee recommendation to adopt and send to the Bay-Delta Authority a policy based on the proposed drinking water policy framework. Such a policy would address water quality changes early during project design and ensure continuous improvement in Delta water quality. Agency representatives and water contractors raised concerns that operation of the State and Federal water projects would be held to a standard that is higher than the current Delta water quality standards. Discussion at the meeting noted that working towards the goal of continuous improvement in Delta water quality would likely lead to actions that reduce Delta salinity to levels below the current standard and Federal requirements. Questions on 1) how operation of the Delta conveyance system would be affected, 2) the effects on water deliveries, and 3) the type and frequency of water quality monitoring were raised. Members clarified that these and other questions regarding balanced implementation and integration with other Program goals and objectives would occur during development of a policy. In addition, the framework is not intended to change or replace existing legal requirements under the California Environmental Quality Act or the National Environmental Policy Act.

Discussion addressed whether the framework is limited to just improving Delta Water Quality. Mr. Gartrell noted that the focus is on the Delta, but the goal is improvement of water quality at the tap. Implementing a policy based on the framework may include treatment or other actions to improve drinking water quality. The policy would not be exclusively focused on the Delta and may include improvements in upstream areas (for example, groundwater). In addition, the Drinking Water Subcommittee is considering water quality in the entire Solution Area.

#### ***Action***

The Committee reached consensus and unanimously recommended that the Bay-Delta Authority and implementing agencies adopt the drinking water policy framework.

Later during the meeting, the Committee complimented the Drinking Water Subcommittee for being the first subcommittee to propose a framework and discussed that while development of similar frameworks for other Program elements may be beneficial they would best be done using an integrated approach. The Committee directed the subcommittees to consider identifying Program integration issues and forward recommendations for avoiding conflicts to the full Committee. The Committee may develop guiding principles for integration of the Program.

#### **5. Finance Plan Status Update**

Kate Hansel (Bay-Delta Authority) presented the process for developing the Long-term Finance Plan. She reviewed the schedule, noting the options report is expected by spring 2004, and reviewed the purpose of the independent review panel, ad hoc, and technical teams.

During discussion, concern was raised that a twenty year planning horizon would not allow for changes over time and that the schedule for preparing the options report was unrealistic. It was noted that it is likely the options would suggest periodic reviews to address changed circumstances, including changes in beneficiaries of projects and actions.

## **6. California Water Plan Update, Water 2025 and the Bay-Delta Program Panel Discussion (*Action Item*)**

Cindy Darling (Bay-Delta Authority) introduced the panel. Kamyar Guivetchi (Department of Water Resources) reviewed the content of the 2003 Draft Water Plan Update and the process used to develop the plan. He emphasized that the plan is to address water demand and supply needs to year 2030 and summarized that through water conservation and transfers, recycling, desalination, groundwater and surface water storage that projected supply needs could be met. Martha Davis (member of the Bay-Delta and Water Plan Update advisory committees) noted that DWR recognized that information from local interests on their water supply investments was crucial for making accurate projections on needed State investments.

Susan Ramos (U.S. Bureau of Reclamation) summarized the intent of Water 2025, which is to work collaboratively with states and regional interests to resolve the west's water problems. Ms. Darling discussed the differences between and similarities of the Water Plan Update and Bay-Delta Program processes. She also described the benefits and challenges of integrated regional management planning and emphasized the importance of addressing State and regional needs to ensure water supply and system reliability.

Members noted that Water 2025 calls for the type of coordination and integrated planning and implementation that is occurring in California through the Bay-Delta Program. David Guy (Water Use Efficiency Subcommittee co-chair), other members and agency representatives discussed the need for mechanisms to share water supply/demand information and better coordinate between Federal/State/local organizations responsible for developing water supply infrastructure. It was suggested that the Program coordinate with the EPA Energy Star and USDA Environmental Quality Incentives Program (EQIP) programs.

Frances Spivy-Weber (Water Use Efficiency Subcommittee co-chair) pointed out that regional coordination has been a Bay-Delta Program priority, and the Program has been forging partnerships with numerous local and regional interests throughout the solution area to address issues and carry out projects and activities. Program strength is its expertise in watershed management, improving water quality, and ecosystem restoration. The strength of the Water Plan process is that it has identified the data gaps, recognized the need for regional water planning, contributed to public outreach, and has made more progress in finding integrated solutions for increasing water supply. Steve Hall and Jerry Meral (Water Supply Subcommittee co-chairs) joined several members in suggesting that regional and local interests are best equipped to address inter and intra regional water supply differences. Other suggestions included quantifying losses due to groundwater

contamination and addressing water quality issues as part of water supply planning and implementation.

### ***Action***

Action was deferred to Agenda Item 8.

## **7. Delta Presentation**

During lunch, Ron Ott (Bay-Delta Authority) presented a detailed and graphic overview of recent activities and scientific findings related to conveyance, ecosystem restoration, and levee projects in the Delta.

## **8. Year 3 Progress Towards Balanced Implementation (*Action Item*)**

Director Wright presented Program accomplishments summarizing limited progress on water quality treatment technology, reducing post-disaster assistance costs and acres flooded due to levee upgrades, improvements to fish and animal species of concern, and progress made in watershed management, environmental justice, and tribal coordination. Tom Gohring (Bay-Delta Authority) highlighted improvements in water supply reliability and noted accomplishments in acquiring environmental water account assets. He explained that while the Program has met, or nearly met, Programmatic Record of Decision (ROD) targets for groundwater storage and conveyance, the Program is far behind ROD expectations for conservation and recycling. Ms. Hansel reviewed years one through three funding and projected State funding for years four through seven. She also discussed proposed Federal priorities for fiscal year 2005. She pointed out that most State funding is from bonds that will be exhausted by year seven. Director Wright concluded the presentation by stating that while there is progress in all areas of the Program, it may be time to reassess Program targets.

Chair Hunt noted that the Bay-Delta Program is akin to a successful start-up business. California water interests and stakeholders support the Program's principles. All of the State and Federal agencies are involved, the Program is the platform for moving water policy forward in California and progress on addressing California's water issues is much further along than if the Program was not in place.

Since the signing of the ROD in 2000, Chair Hunt acknowledged financial conditions have changed and this is an appropriate time to reassess and develop a strategic plan for the next few years. This reassessment would help the Committee, regional interests and Program identify future priorities. Some members suggested that rather than revising the Program goals and objectives, schedules and approaches for meeting the goals be assessed and adjusted.

Members noted that knowledge of regional investments and priorities and reassessment of targets will lead to development of a sound long-term finance strategy. They suggested that development of a sound finance plan will present a more compelling case for federal funding and advised the Program to consider:

- State/Federal/local funding sources other than those currently included in the Bay-Delta Program cross-cut budget,

- requesting that the Federal Office of Management and Budget develop a Federal cross-cut budget based on State and regional priorities, and
- working with the Committee and regional interests to develop a mechanism to track local investments.

Members noted that regional profiles that address how regions are using their water, now and in the future and how they are spending their resources on water management initiatives will be critical for continuing progress. Members suggested that the regional information become part of the 2005 Program Plans and that the Bay-Delta Program budgets include information on the regional investments. Regional profiles would identify, for example, locally/regionally funded conservation and recycling. Regional profiles can also integrate system reliability benefits with regional needs. Profiles would help identify the priorities that regions share with the State and Federal agencies. Conversely, it was suggested the Program keep track of its projects and activities and specify how those investments contribute to regional priorities.

Although the regional profiles and integrated water resource planning will benefit the regions and the Program, there are challenges that must be addressed. Members representing regional interests noted that local interests will need:

- tools from the agencies to provide the necessary data,
- incentives and funding,
- capacity-building, especially in regions without a history of cooperative planning.

It was suggested that Proposition 50 funds could be used to support regional water planning. The Program was also advised to better articulate what is expected from the regions and the relationship between regional and Program priorities and targets.

### ***Action***

The Committee reached consensus and unanimously agreed to forward the following recommendations to the Bay-Delta Authority:

The Committee recommended improved coordination/integration of the California Water Plan Update, Water 2025, and Bay-Delta Program. It advised the Program to build on the relative strengths of the three processes and avoid duplication of effort. Members advised that the Water Plan process take advantage of the Bay-Delta Program regional initiatives and rely on the local interests to develop regional priorities and strategies.

The Committee recommended the Authority adopt three near-term priorities:

- develop regional profiles,
- consider revising Bay-Delta Program targets, and
- develop Long-term Finance Plan options.

Subcommittee Meeting Summaries can be obtained from our website.

For further information, please visit our website at

<http://calwater.ca.gov>.

Correspondence included in the BDPAC/Authority packet is on file at the CBDA office.

To obtain a copy of the Correspondence Section, please call (916) 445-5511.